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Nano Speech on Economic Reform Program

AU0511100491 Tirana ZERI I POPULLIT in Albanian 23 Oct 91 p 1

["From" the speech by Socialist Party Chairman Fatos Nano to the People's Assembly in Tirana, date not given: "Economic Reform—Basis for the Country's Stabilization"]

[Text] The importance of today's discussion and the political decision we will make is tied to the undeniable fact that we have no time to lose, but must look ahead and advance with realism.

A realistic economic reform and its policies and programs will inevitably be based on the principle that "man lives on what he extracts from nature." The higher the standard of living to which he aspires, the more efforts he must make with his own hands and brain.

This must be necessarily be understood especially in the case of a reform that transforms a centralized command economy to a market economy with free private and public initiative. Under our conditions, when economic life is paralyzed and its structures, for familiar reasons and because of the inheritance of the past, are in general uncompetitive, this transition can only be achieved according to the principle: "as much work and properly-directed initiative as possible, as few inflated demands as possible under our difficult conditions, and as much social and political understanding as possible in order to accept transitory privations." This is the first pillar of the reform.

We cannot confront the reform without everybody's maximum dedication and commitment to work and enterprise, something that means a readiness to admit the competition of as many creative and active elements as possible in all sectors of the economy. This is the second pillar.

The third pillar of the economic reform we are undertaking is the mechanism that makes people aware that they will work more when it is clear that their personal wealth is tied to the results of their work. Thus, we can only expect great economic results when sluggards and parasites are confronted with the danger of economic bankruptcy, while courageous and creative workers taste the success of forging their own destinies.

Thus, the most prosperous economy is the kind in which the state, or other organizations that operate on its behalf, leaves it up to individuals to confront the greatest risks, and makes enterprise possible, while limiting the tendency to keep these things in its own hands. A nationalized economy doubtless leads to barrenness and hunger. We need as many private sectors and entrepreneurial activities as possible. The government's economic policy must therefore be liberalized, and must divest itself of excessive protective measures for those who embark on economic enterprises. An employee in whatever ministry, whose task, for instance, is to encourage the development of new production technology, must realize that he understands much less about this subject than a foreman, skilled factory worker, or private entrepreneur.

The main means that the government must therefore employ to encourage and assist economic enterprise are therefore merely efforts to ensure good laws, justice and sound public order, and a just policy in balancing public finances as a guarantee of the stability of the currency. Apart from this, the government's economic policy must set itself against market monopolies and against the distortion of competitive conditions by any group of producers or traders by dispersing production and trade among as many private units as possible, who will produce efficiently and be responsible for their own results. Meanwhile, not every group or association of producers is economically harmful if it provides better and cheaper products or services than individual entrepreneurs.

All these things must be subject to the following logic: "In a well-organized country and state, the struggle of competition cannot develop entirely without limits and restrictions. Otherwise it degenerates into a general chaos and war of each against his neighbor. Competition must be regulated so that it is conducted fairly, with equal regulations and limits for everybody. State, i.e. legal control over public and private enterprises must protect the interests and living and working conditions of both owners and contracted employees, and the environment.

Because these deep changes in our economic structure and lives cannot be achieved overnight, it is necessary, for as long as the absolute deficit of the means of subsistence and of raw materials for normal production persists, to preserve a certain system of state programming. It was a historically fatal mistake to introduce the central planning system in Albania in the form of petrified five-year plans, because this brought us to our present situation. However, now that we are at the low point of not being able to guarantee the necessary basic supplies for the population and the economy, there is no other possible transition but one that is carefully programmed. This means that, alongside the abolition of all kinds of bureaucratic command structures and the liberalization of management in favor of grass-roots bodies, special economic programming and control bodies should be created, such as the various agencies for privatization and foreign investments, fiscal agencies, etc. This makes state management purely economic, but elastic and subtle. The main priority of state economic policy in all spheres today must be overcoming the deficits and shortages (rationing) as fast as possible. In this way, the state management of the economy will liberalize itself and the system of a social market economy will be institutionalized, ensuring stable growth.

It was these concepts and principles, for instance, that succeeded in reviving the German economy, which had

been devastated by Hitlerian central planning and war, and transformed it into the social market economy that is so dynamic and effective on the European and world market today.

On this basis, I appreciate and support the theoretical and legislative principles of the reform presented by the government, and invite deputies and political forces to support its implementation in accordance with realities and Albanian mentalities, which will themselves be changed by the economic reform.

The success of the reform relies on certain key factors:

—The resumption of the work of central and local executive authorities on a new basis.

—The stability of public order.

—The stabilization of the market and the return to work of vital sectors of the economy.

—The awareness of those active in the economy, managers, and working people of their responsibility to use their initiative at the level of their private professions, within macroeconomic restrictions and stimuli.

—Government openness to the public at large about the phases of the reform and its pains.

— The training of people and managerial assistance on a massive scale.

— The rapid and successive creation of sectors of the market that will turn ever larger sections of the population into entrepreneurs through the privatization of apartments, trade, services, the liberalization of exports and imports, merchant banks, the issue of securities in which savings may be invested, down to the sale and purchase of land in the near future, after its final distribution.

— The destruction of the incompetent bureaucracy of the administrative apparatus.

— The drafting of investment programs, the reactivation of resources, and their priority use in agriculture, the food industry, tourism, energy, infrastructure, etc.

— The completion and implementation of a total fiscal system with incentives and restrictions, and with progressive taxation that will redistribute earnings according to social and economic priorities.

—The restriction of enterprises in monopoly positions, alongside their division into a number of competing units.

—Price liberalization connected with the rate of privatization, the liberalization of foreign exchange with increased supply, and the domestic convertibility of the lek.

—The establishment of stable budgetary, financial, and balance of payments equilibrium through the gradual absorption of deficits, the faster circulation of currency, and a restrictive anti-inflationary policy.

We believe that the government program and the package of laws for the economic reform, which are the fruit of the country's mature political and economic thinking that is not the property of any party, will include these issues and set them on the road toward solution.

We repudiate attitudes that excuse the continuing stagnation and obstruct the start of the reform. Excitability and futile political quarreling, which has even been present in this session, failures to enforce the law, and the nonoperation of the rule of law do not help this process. Likewise, the desire to profit unfairly from the start of the reform and the tendency to look to the state for everything as before, without work and production, will also obstruct the reform. We can also never tolerate anarchist behavior that obstructs or seeks to damage relations with foreign capital, especially in joint enterprises. Do not worry, because socialists can play democratic "dominoes" just as well as everybody else. Gentlemen, do not persist in looking in Albania for the "domino" effect that ushered in the antidictatorial revolutions of 1989. If you are truly committed to expunging dictatorship, look for it in next door Serbia, in Saddam's distant deserts, or somewhere else.

The Socialist Party holds by the principle: "It is hard to stabilize the economy without radical reform, and without a stabilization of the economy we cannot expect the desired results from the reform."

Our concept of stabilization, as clearly stated in the program, involves, besides supplying the market with food products and other essential goods, the reactivization of a part of our industry that at present lies idle because of the shortage of raw materials.

The return of thousands of workers to work, besides alleviating the crisis of confidence and social tensions and increasing workers' earnings, would increase the country's production, which, especially in the textile, plastics, and construction industries and elsewhere, are vital for our consumers, especially in the countryside. As for investments in association with foreigners in order to help to bring our industry back to work, the state must create a policy for taxes and duties, granting licenses, etc., which will protect many enterprises, especially those producing consumer goods and services, from competition and the danger of bankruptcy. This demands realistic judgments in harmony with the encouragement of foreign investments and new business in society.

The Socialist Party also sees stabilization in our country as conditional on essential changes that can and must be made in the social sector. The private sector must acquire greater weight in different branches of the economy, the retail and service sectors, trade, the banking sector, etc. There is an urgent need in this field to subject everything to the discipline of the law, so that

it will in no way escape the state's essential supervision. Thus, spontaneous privatization and illegal speculation with public funds must be stopped.

The Socialist Party considers it important and a key element in the stabilization process to amend legislation and to increase the supervisory role of specialized state organs. We will always strive for this. The government and local authorities must act with initiative to repair the situation and to rigorously enforce the law.

The Socialist Party considers the reform of the economy toward a market economy in principle to be the sole option for surmounting the present crisis, joining modern currents of development, and consolidating this development in the near future. Besides this, the economic reform must begin and proceed as fast as possible on the lines of a market economy, in order to narrow as far as possible the gulf that has arisen between political decisions and the economic base with a variety of forms of ownership that normally accompanies and must accompany political pluralism. This is the only way of laying the foundations of genuine stability. This cannot be done without pain, but let us not pass to the other extreme of failing to consider the social aspects of economic decisions, especially of transformations of the kind that we are undertaking.

Any effort to minimize or exaggerate the social aspects of this process would confuse certain sections of the population and would prolong the period of the reform process. One cannot act on the principle of "better late than never" in either economics or politics. Delays in starting the reform mean further destabilization and add to the difficulties.

Considering the privatization of the economy to be one of the most important conditions for the reform, alongside the privatization of the retail and service sectors (where there is a great deal of delay, and in which regulations are not complete and are often not enforced), we also favor the privatization without delay of the workshops of small and medium-sized enterprises. We also support the idea that the owners of our enterprises should primarily be the workers who work in them today, and therefore support the practice of granting free some of the shares, with credit support from the bank, etc. Thus, we do not oppose the idea of auctions, but the government must not advance auctions as the first and foremost method of privatizing industry and other sections of the economy. Concessionary methods and the reactivization of the economy by Albanian and foreign owners will bring us out of the vicious circle of privatization that we have entered.

The reform of the economy as a total process requires a certain period of time. It is therefore necessary to coordinate measures according to phases for all the key stages of the reform, such as those of privatization itself, price liberalization, coping with people's employment, social assistance, etc. In order to protect disadvantaged sections of the population from the effects of market speculation, the Socialist Party favors the gradual surrender of state control as prices are liberalized, with the state retaining a monopoly over a basket of goods of particular importance until the end, also determining the extent of which price rises will be compensated for by working people's earnings.

Appreciating the government's efforts to create a legal framework for the market economy and the necessary support of international bodies for its development, I invite you, honored deputies, to give the government a political mandate to responsible carry out this noble mission with its heavy burden.

Bill on State Enterprises Published

AU0511093391 Tirana ZERI I POPULLIT in Albanian 20 Oct 91 p 2

["Bill on State Enterprises"]

[Text]

Chapter One

General Dispositions

Article One

State enterprises, henceforward to be called enterprises, are the property of the state.

An enterprise is a legal entity.

Article Two

An enterprise, in accordance with its purpose as defined in its act of constitution, carries out one or more main activities in production, trade, processing, construction, or services, and/or activities of a supplementary character.

An enterprise carries out its activities independently, under conditions of competition with other economic entities.

Article Three

To carry out its activities, an enterprise enters into free economic and financial relations with native or foreign physical or legal entities, and with joint capital.

Article Four

Enterprises must meet their own expenses and obligations to the state and must secure a profit, with the exception of enterprises financed by the state budget.

Article Five

Enterprises are classified as: a) National enterprises.
b) Local enterprises

The Council of Ministers determines the criteria and manner of their classification.

Article Six

An enterprise is obliged to conduct its activities in accordance with the current legislation of the Republic of Albania.

The Creation, Merger, Division, and Liquidation of Enterprises

Article Seven

National enterprises are created, merged, divided, dissolved, or dispersed by the order of the ministry or the director of another central institution.

Local enterprises are created, merged, divided, dissolved, or dispersed by order of the district executive committee.

Article Eight

An act for the creation, division, or merger of an enterprise must contain: a) The title of the enterprise (its full name and abbreviation).
b) An inventory of the quantity and value of its principal assets and current assets.
c) The purpose of its activities.
d) The name of the central body under which it is falls.
e) The site of the enterprise.

Article Nine

The creation, division, or merger of an enterprise is registered. National enterprises are registered at the Finance Ministry, and local enterprises at the finance sections of the executive committees of the districts where they are based.

An enterprises acquires legal status at its registration.

Article 10

Enterprises are registered on the basis of the following documents: a) An act of foundation, division, or merger.
b) The statute of the enterprise.
c) A statement of the enterprise's manager.

An enterprise is registered within 15 days of its creation, merger, or division.

The body registering an enterprise issues it with a certificate of constitution.

Article 11

An enterprise ceases its activities: a) When it is closed by the responsible authority as a result of violations of the regulations in force.
b) For reasons of reorganization undertaken by the body on which it is dependent.
c) When it is declared financially bankrupt.
d) Under other circumstances laid down by the law.

Special dispositions govern the liquidation of assets or bankruptcy.

Chapter Three

An Enterprise's Economic Relations

Article 12

An enterprise is an independent entity in its conduct of economic and financial activities. It makes its own decisions that do not conflict with the legislation in force.

Article 13

An enterprise secures and adds to its fixed assets for the conduct of its activities through: a) Basic capital that the state places at its disposal on its creation.
b) Additional capital that the state gives it during the course of its activity.
c) Its profits.

An enterprise obtains temporary financial resources for the conduct of its activities through loans and short-term and long-term credits, as well as the temporary use of the resources of third persons.

Article 14

An enterprise enjoys the right to use and dispose of its long-term resources (main assets) and its circulating assets (turnover assets) created by state capital and its profits.

An enterprise may sell, under conditions provided for by law, resources it uses in the conduct of its activities, when these are superfluous or unnecessary.

Article 15

An enterprise independently drafts its program for its economic and financial activity on the basis of the contracts and agreements it has reached, state orders, and the possibilities it envisages for direct sales on the market, etc. It decides its own production structure, acquires its own material and technological base, investments, resources for construction, work force, consumers, etc.

Article 16

The state regulates economic relations with the enterprise through a system of taxes and duties, subsidies, interest percentages, minimum wage rates, depreciation rates, and regulations to determine prices and rates for state orders.

Article 17

State orders are granted to enterprises solely in order to maintain principal national balances of payments, to support social policy, to achieve strategic, technological, and trading goals, to guarantee national security, and to fulfill international obligations that have been undertaken.

Article 18

Contracts or agreements are reached to fulfill state orders. They may not use more than two-thirds of an enterprise's capacity. With its agreement, an enterprise may accept state orders using up to 100 percent of its productive capacity.

The Council of Ministers may place state orders up to full capacity in certain specialized fields, such as geology, oil drilling and prospecting, etc.

Article 19

An enterprise organizes and is responsible for statistical services in accordance with the regulations in force.

Article 20

The prices of goods and services and of research and construction projects are decided in accordance with the market's supply and demand. Specific prices are determined by contract or agreement.

The responsible state and economic bodies determine fixed or maximum retail prices for certain goods and services of importance for the people's living standards.

The maximum sales prices of raw materials, fuel, electricity, and transportation services are laid down in a list compiled by the Council of Ministers.

Article 21

Enterprises may freely conduct all kinds of economic activity with legal or physical foreign entities, without the need for any document from state bodies, except in cases envisaged by special regulations.

Article 22

Enterprises obtain their own foreign currency through the export of goods and services, foreign currency credits from the Albanian State Bank, and the purchase of foreign currency from the state and on currency markets.

An enterprise may obtain foreign currency credit from foreign banks, and will inform the Albanian State Bank.

Article 23

An enterprise has the right to invest in other enterprises and institutions and to dispose of shares in other enterprises according to the regulations in force. An enterprise has the right to issue securities in accordance with the legislation.

Article 24

An enterprise determines the wages of all its employees, not below the minimum wage approved by the Council of Ministers, bonuses and incentives, and the number of its employees.

Article 25

An enterprise has the right to appoint or to dismiss employees according to the legislation in force.

Article 26

An enterprise's manager concludes collective contracts by agreement with the trade unions and individual labor contracts with individual employees.

Article 27

An enterprise determines its own resources for pay in accordance with the regulations and guidelines that it has decided.

Hourly, daily, weekly, and monthly wages are paid in accordance with specific conditions.

Article 28

There is no limit to the remuneration of the labor of workers, specialists, and managing cadres.

Article 29

The state is not responsible for the obligations of enterprises to third persons, just as enterprises are not responsible for the state's obligations to others. When an enterprise ceases its activities, its debts and obligations are liquidated in accordance with certain regulations and dispositions in force.

Article 30

The difference between an enterprise's total realized earnings and its expenditures represents its economic result.

Article 31

An enterprise's total earnings consist of: a) The sale of dispatched goods, proceeds from labor and services rendered and from the turnover of goods.

b) Earnings realized from the grant of the use of principal assets.

c) Interest from cash resources deposited in the bank or given for the use of third parties.

d) Income earned from research, scientific, and subsidiary work.

e) Subsidies to the extent of the retail price.

f) Income from the receipt of fines, and other earnings.

Total earnings are calculated on the basis of invoiced sales and not received earnings.

Article 32

An enterprise's permitted expenditures consists of: a) The value of raw materials, auxiliary materials, fuel, electricity, etc., calculated according to the actual purchase price.

b) Depreciation costs, calculated according to depreciation rates determined by the Finance Ministry.

c) Actual expenditure on wages and social insurance.
d) Sales and marketing costs.
e) The general expenditures of the enterprise and its departments.

Article 33

An enterprise pays taxes on its goods turnover and taxes on its profits at rates determined by special dispositions.

Article 34

An enterprise uses the profits remaining after the deduction of taxes principally for: a) Increasing the quantity and improving the quality of material and technical aspects of its work.
b) Distribution to its employees.
c) The creation of funds for social aid and assistance.
d) The creation of reserve capital.
e) Environmental protection.

Article 35

Loans and interest on loans for products and activities connected with credit and investment may be repaid out of gross profits. These products and activities are determined by the Finance Ministry in cooperation with the ministries and other relevant central institutions.

Article 36

An enterprise's working year corresponds to the state's financial year.

Article 37

An enterprise's financial work is conducted according to a financial program that is drafted and approved by the enterprise every working year and includes the enterprise's earnings and expenditure.

Article 38

An enterprise keeps accounts, and prepares and presents an annual balance sheet according to the principles of special legal dispositions.

Article 39

The shape of the financial program and the regulations for financial activities are determined by the Finance Ministry in cooperation with the relevant ministries.

Article 40

An enterprise opens bank accounts in leks and foreign currencies with Albanian banks, and with foreign banks with the authorization of the central bank, according to criteria prescribed by special dispositions.

Chapter Four

An Enterprise's Organization and Management

Article 41

An enterprise is organized and operates as a unit in itself or with branches within or away from its location.

The mutual relations of an enterprise with its branches are governed by the act of constitution and by contracts or agreements.

An enterprise is responsible for the obligations its branches may incur for it during the course of their activity or its cessation.

Economic communities with a special status approved by the Council of Ministers may be created for activities of special importance, such as those involving oil, energy, chrome, copper, iron, transportation, etc., and for the administration of natural resources necessary for national interests.

Article 42

An enterprise's management bodies are: a) A general meeting of working people or a meeting of their representatives.
b) The managing council.
c) The director.

Article 43

The general meeting or a meeting of representatives elects the managing council and the control and revision council.

A general meeting or a meeting of representatives is considered valid when two-thirds of its members attend.

It makes decisions by a majority vote.

Article 44

An enterprise's managing council consists of no fewer than five and no more than 11 members, and must always have an odd number of members.

Members of the managing council are elected every two years with the right to be reelected.

Persons who are not in legal employment relations with the enterprise may also be elected members of an enterprise's managing council, except for members of the government; the chairmen, deputy chairmen, and secretaries of district executive committees; general directors of the banks; judges; procurators; arbitrators; notaries; and directors of the Council of Ministers' directorates.

An enterprise's director is a member of the managing council.

Article 45

An enterprise's managing council has the authority: a) To approve the enterprise's statute.

b) To approve the program for the enterprise's development.

c) To approve the enterprise's organizational structure.

d) To elect and dismiss the chairman of the managing council, the director, and his deputy. A foreigner may also be elected director of an enterprise.

e) To decide incentives for employees.

f) To make decisions for the creation, reorganization, and closure of branches.

g) To approve the annual balance sheet and to distribute profits.

Article 46

Members of the managing council receive annual remuneration from the enterprise's financial resources, depending on the enterprise's final results.

Article 47

Members of the managing council are responsible for damage they cause to the enterprise, according to the dispositions in force.

Article 48

Persons who are not in legal employment relations with the enterprise may also be elected members of an enterprise's control and revision council.

Persons mentioned in Article 44 of this law may not be elected members of this council.

Article 49

The control and revision council supervises the execution of the decisions of the general meeting and the managing council and the administration of the enterprise's property.

It is accountable for its activities to the general meeting or a meeting of representatives.

Article 50

An enterprise's operational activities are carried out by the director and his deputy, who make up the executive body.

Article 51

An enterprise's director has the responsibility: a) To organize, manage, and supervise the enterprise's work and to report on it.

b) To propose to the managing council the enterprise's economic, financial, and social program, and to devise measures for its realization, in accordance with the programs that have been approved.

c) To represent the enterprise in relations with third parties, the courts, and arbitrators and to sign agreements and contracts on the enterprise's behalf; he is responsible for the accounts of the enterprise and its dependent branches, and ensures their enforcement.

He may authorize other persons to direct and represent the enterprise. When he is absent from the enterprise for various reasons, he entrusts his deputy or another person with its management.

d) To approve prices according to the competences left to the enterprise.

e) To lay down working regulations in the enterprise and to appoint and dismiss department chiefs, all other employees, and branch managers.

f) The director is responsible and accountable to the managing council and the state organ on which the enterprise depends for its work.

g) When an enterprise director is appointed or dismissed from his post, a special document is drawn up in the presence of a commission appointed by the managing council.

h) The director is responsible for all the enterprise's economic and financial activities and is materially responsible for damage that may be caused to the enterprise as a result of his management, according to the dispositions in force.

i) The director settles all matters not under the competence of the managing council.

Article 52

An enterprise is organized and managed according to its statute.

An enterprise's statute must among other things include:

a) The number and date of the decision of the organ creating the enterprise.

b) The enterprise's headquarters.

c) The quantity and manner of formation of its long-term assets and circulating assets.

d) The title of the enterprise, its rights to make signatures, and the limits of these rights.

e) The manner in which it creates departments and subdepartments, their location, activities, organization, and relations with headquarters.

f) The rights of the director and his relations with departments, subdepartments, branches, etc.

g) The enterprise's work regulations (on the appointment of employees, their dismissal, training, education, annual vacations, etc.).

Chapter Five

Special Dispositions

Article 53

An enterprise may be turned into a private or joint enterprise in accordance with the legal dispositions in force.

Article 54

Agreements on state orders are made between the enterprise and state organs defined by the Council of Ministers.

Article 55

An enterprise is subjected at least once a year to economic and financial control and revision and the implementation of the law by the state organs entrusted by law with this function.

Article 56

An enterprise has the right to rent out its property for defined periods against payment to other enterprises or cooperatives and national or foreign physical and legal entities, according to criteria defined by the Council of Ministers.

Article 57

Law No. 7373 of 8 May 1990, "On Enterprises," and all other dispositions conflicting with this law are annulled.

Article 58

This law comes into effect on 1 January 1992.

Paper Shortage Suspends Publication of Newspapers

AU0511145291 Tirana Radio Tirana Network in Albanian 1430 GMT 5 Nov 91

[Text] No daily newspapers have been published for two days. Our correspondent investigated this problem at the newspaper printing works and the management of the Graphics Enterprise, and discovered that the reason for the newspapers' nonappearance is a shortage of paper at the printers. The Lezhe paper mill, which is the sole supplier of newsprint, has halted production because of a shortage of raw materials. The management of the Graphics Enterprise informed our correspondent that this situation may continue for several days.

Berat Health Workers Stage One-Hour Strike

AU0511210391 Tirana Radio Tirana Network in Albanian 1900 GMT 5 Nov 91

[Text] Doctors, nurses, and other health personnel and auxiliary staff in Berat stopped work and staged a one-hour strike. On behalf of the Independent Health Workers Union, the physician Jashar Buba put forward the health workers' demands for the creation of normal conditions for the care of patients, and the supply of equipment and medicines. He insisted on the introduction of up-to- date methods of treatment, higher pay for night duty and on public holidays, a 100 percent pay raise, six-hour shifts, a guarantee of calm in health institutions, and the dismissal of the health minister.

Speakers at the meeting said that the Health Ministry has not made the slightest investment in this district, but has relied solely on foreign aid. Medicines have not been available in the district's pharmacies for a long time.

Zhelev Asks SDS's Dimitrov To Form Cabinet

AU0511161991 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 5 Nov 91

[Text] We just received the following report: Valentin Stoyanov, spokesman for the president, has announced that President Zhelyu Zhelev has issued Decree No. 340, which reads:

On the basis of Article 99, Paragraph One of the Bulgarian Constitution, I decree:

I entrust Filip Dimitrov, recommended by the Union of Democratic Forces—the largest force in the legislature—with the task of forming the government.

Popov Cabinet Resigns; News Conference Reported

AU0511214691 Sofia BTA in English 2023 GMT 5 Nov 91

[Text] Sofia, November 5 (BTA)—Today the Bulgarian parliament accepted the resignation of Prime Minister Popov's cabinet which will continue functioning for seven days at the most. Today Mr. Filip Dimitrov, leader of the Union of Democratic Forces (SDS) which won the recent elections, was given a week to form a new cabinet.

"The outgoing government was a team of wonderful experts," Mr. Popov told a news conference today. Mr. Popov said that one of the mistakes of the government was that it overestimated the importance of the foreign economic aid granted to Bulgaria. This aid, in Mr. Popov's view, was smaller than expected.

Mr. Popov said that Bulgaria will supply the Ukraine with goods in exchange for electricity. Bulgaria is ready to ship part of the goods in store valued at 4,000 million dollars [as received] at the current exchange rate. Government officials held negotiations with the Ukrainian leadership last night and Bulgarian experts left for Kiev today. An agreement is being drafted on the exchange of electricity for Bulgarian goods.

The Bulgarian town of Ruse received yet another emission of chlorine from the chemical works near Giurgiu (Romania).

The Bulgarian Government decided to ban Turkish imports of live cattle, foods, products of animal origin and fodder and salt for cattle-breeding after a Paris-based international institution reported the spread of cattle-plague in Turkey. The cabinet also banned the transit of cattle and animal products which had passed across Turkish territory.

The government decided to provide the necessary conditions for BBC English- and Bulgarian-language transmissions on an experimental basis. BBC will broadcast round the clock for the area of Sofia.

Prof. Krustyo Petkov, leader of the Confederation of Independent Trade Unions in Bulgaria, told the press that he feared direct anti-labour actions not only on the part of employers but also of the new parliament and government.

A fire at the Bulgarian Ministry of Defence was put out. According to the first deputy chief of the General Staff, only a warehouse of the communications centre was damaged and no documents have been destroyed.

Parliament decided today not to sit on November 7. The Union of Democratic Forces faction moved a nationwide ecoprotest mottoed "Save Ruse." Ruse, Bulgaria's fourth largest city, is exposed to chlorine pollution from the chemical works in Giurgiu, Romania. "The Giurgiu Chemical Works can be shut down if Europe and the world start talking about the problem. The world and European environmental organizations can influence the buyers of Giurgiu works products," the parliamentary SDS points out, motivating its motion. The support of European public and environmentalist organizations has been enlisted for the national ecoprotest on November 7.

The MP's debated draft rules of procedure today.

The Socialist-led Parliamentary Union for Social Democracy stated in a declaration released today that it does not recognize the legitimacy of the ethnic Turks' Movement for Rights and Freedoms (DPS) as a political formation. The Socialist faction blames the SDS for allowing the registration of the DPS at the 1990 national roundtable negotiations. The declaration stresses that the Socialist faction is seriously concerned that "the DPS is restricting the rights and freedoms of citizens of ethnic Bulgarians, Turks and Gypsies and is trying to monopolize political and economic life in certain parts in Bulgaria."

An initiative committee of six outstanding Bulgarian scientists, journalists and public figures suggests the holding of a "national roundtable on the ethnic problem." The committee invited all parties and coalitions which polled more than 1 percent of the votes in the October 13 elections to participate in the event. "Ethnic tensions have existed in Bulgaria for seven years. They were covered up until November 10, 1989, after that they began to be stirred openly," the committee says in the appeal for the convocation of a roundtable. Mr. Mikhail Ivanov, the president's adviser on the ethnic problem, is on the initiative committee.

BSP Official Alleges Political Persecution

AU0511162391 Sofia BTA in English 1542 GMT 5 Nov 91

[BTA report: "BSP Condemns 'Unfair' Dismissals of its Members"]

[Text] Sofia, November 5 (BTA)—"We oppose any political persecutions," Mr. Aleksandur Marinov, member of the Presidium of the Supreme Council of the Bulgarian Socialist Party (BSP), told a press conference

today. Mr. Marinov was referring to a recent BSP declaration condemning alleged persecution of party members and followers.

The declaration was in the highlights of the press and was commented by many government officials. President Zhelev described it as "propaganda seeking to deflect public attention."

Mr. Marinov showed documents according to which BSP members had been dismissed not for abuses or inefficiency but because of their party affiliation. "Moreover, they are not managers but ordinary workers and employees," Mr. Marinov said. "There are cases of mass violations of human rights on political grounds. One of them is the boycott of school classes declared by the Movement for Rights and Freedoms." (DPS)

Mr. Filip Bokov, member of the Presidium of the BSP Supreme Council, denied allegations that his party is responsible for the DPS registration as a political party for last year's parliamentary elections. According to him, the DPS's legal registration was effected by the judicial authorities while its political registration was predetermined by the Coordinating Council of the Union of Democratic Forces. Mr. Bokov read excerpts from the verbatim record of the roundtable talks held in 1989. The BSP hopes that the expected Constitutional Court's decision on the DPS legitimacy will be consistent with Bulgaria's Constitution.

"The Parliamentary Group for Social Democracy (as the BSP-led parliamentary faction calls itself) will submit to parliament draft rules of procedure," Mrs. Nora Ananieva, BSP floor leader, said. The purpose is to defend MPs' rights. "Parliament is a national forum and not a legislation voting machine," Mrs. Ananieva said.

Podkrepa Chairman Discusses Political Regrouping

AU0511132991 Sofia OTECHESTVEN VESTNIK in Bulgarian 31 Oct 91 p 4

[Interview with Podkrepa Labor Confederation Chairman Konstantin Trenchev by Khristo Karlukovski; place and date not given: "Our Future Points at a Regrouping of Political Forces"]

[Text] [Karlukovski] According to Euclid's geometric theory, a plane is determined by three points. In your opinion, what kind of guarantees are there that the three parliamentary points in Bulgaria's political plane—established following the 13 October elections—are capable of providing for our society?

[Trenchev] This is the great topical issue of the day. We, the Podkrepa Trade Union Confederation, being a public organization not directly involved in the structures of power and looking at the executive power from a different angle, are entitled to permit ourselves a more objective commentary.

The Bulgarian opposition justified its existence in the eyes of the world by standing up in defense of human rights. In this respect, not only the representatives of the groups that were repressed in the past, but also many intellectuals and other freedom-loving Bulgarians got involved with the opposition. The election results showed that, because of an imperfect electoral system and for several other reasons, the people in our country voted confidence in three political formations that are expected to determine the nature of the future Bulgarian legislature. How these particular forces are going to cooperate—this is a great question, upon which Bulgaria's immediate future will depend. Other political forces that are not represented in the National Assembly but that enjoy substantial public support may join the aforementioned political forces. This kind of option cannot be excluded. The large forces alone cannot form a cabinet. A model composed of the Union of Democratic Forces [SDS] and the Movement of Rights and Freedoms [DPS] can exist in theory. It may also be implemented in practice. A model composed of the SDS and the Bulgarian Socialist Party [BSP] may theoretically exist, but is not feasible. If we talk about a triple combination, it means that we should add some third political force. The Bulgarian National Agrarian Union-Nikola Petkov [BZNS-NP] and the BZNS-E (united) are serious candidates in this respect. In this respect also, the triple option has two suboptions, namely a green and an orange one [BZNS-Nikola Petkov—green, BZNS (United)—orange]. We can hardly imagine an option under which both agrarian unions would join a coalition. The choice will presumably be between the two agrarian groups.

The addition of a third partner to the coalition is likely to consolidate it on an extraparliamentary basis, so that the weight of responsibilities in the forthcoming decisions may be distributed on a larger plane.

[Karlukovski] What about Podkrepa's stand in implementing one of the aforementioned theoretical options?

[Trenchev] I could describe it as follows, in the most general terms: We are resolved to protect the interests of our members in accordance with specific circumstances. Those who are coming into power, as long as they follow the most elementary rules of logic, should realize that the future decisions they are facing should become broad public assets. To achieve this goal, the involvement of mass public organizations, such as the trade unions, is absolutely necessary.

[Karlukovski] Would you mind clarifying some details regarding the conflict involving Dimitur Ludzhev?

[Trenchev] Dimitur Ludzhev's nomination to run for the elections was literally imposed and promoted through procedural channels. The SDS Coordinating Council, which is the supreme body of this party, rejected his nomination on three occasions on the basis of a negative vote. There is sufficient documentary evidence confirming this. Therefore, in talking about procedural

channels, we can provide evidence. Another question is that Ludzhev's policy both as chairman of the Tripartite Commission, and as a vice prime minister, did not meet our approval in numerous cases. For this reason, we are convinced that his presence in a future cabinet would be inappropriate. It would involve negative consequences for the new government's policy.

[Karlukovski] Last week, one of the Podkrepa Labor Confederation's vice presidents was relieved from his post in the leadership. What is your comment on this?

[Trenchev] The so-called Varna group consisting of 18 people, issued three consecutive documents voicing certain most general accusations. They were neither confirmed by documents, nor supported by any specific facts. Last Friday, the Confederation Council heard the statements of both sides, after which the truth was established. Some participants in the meeting jokingly compared the actions of the Varna group with the activities of the Yanayev group in the Soviet Union. I can reliably confirm that the motivations of the so-called Varna group was seriously influenced by alcohol. In this connection, some members of the Confederation Council jokingly remarked: "They plotted their coup after a lot of eating, drinking, and singing," which was actually quite to the point.

[Karlukovski] The new National Assembly is expected to open on 4 November 1991. A few days ago there was talk about the establishment of a Bulgarian Democratic Center. What would be the purpose of this center?

[Trenchev] In Bulgaria today there is no normal distribution of forces as it should exist in a democratic country, where the division into right-wing and left-wing forces is clear. In Bulgaria, the division into left and right is determined by the attitude of each political force toward communism. This primitve state of affairs is determined by the lack of a social basis for the political forces likely to determine their stand regarding the so-called center. The behavior of the political forces in our country is determined by enthusiasm and emotions that are constantly inclining the scales from one to the other side. A center means a number of political groups and formations that occupy a middle position between liberalism, conservatism, and the left-wing trends under the form of social democracy. In my opinion, the SDS represents the real center in our country, while all those groups that are talking about a "center" are just trying to make noise for the sake of their own political survival. The extra-legislative stand is a fact that cannot be concealed. It is also a fact that our society is split into two hostile groups. It would be logical to begin a process of regrouping the political forces in the future, so that Bulgaria may acquire some serious political formations and put an end to this variety of innumerable political formations, that is totally preposterous, that alienates the people from political life, and that hardly contributes to our nation's positive image in the civilized world. I am an optimist, and I believe that time should set things right. Craving for power and unhealthy striving for leadership will gradually fade, and future politicians will simply try to do their jobs as competent professionals and sober politicians.

KNSB's Petkov Assesses Election 'Mistakes'

AU0411210991 Sofia TRUD in Bulgarian 23 Oct 91 pp 1, 4

[Interview with Professor Krustyu Petkov, chairman of the Confederation of Independent Trade Unions in Bulgaria, KNSB, by Sonya Gulubarova; place and date not given: "Our 'Mistake' Is a Good Investment for the Future"]

[Excerpts] [Gulubarova] The elections are over. Will they bring the country any closer to the cherished democracy that was outlined in the election campaign platforms of the political forces?

[Petkov] On 13 October, Bulgaria merely crossed the first line—it bade farewell to communism. However, this farewell came only after history had already delivered its final verdict (I refer to the unsuccessful coup in the Soviet Union). The special feature in the new situation is that the grouping that won the most votes—the Union of Democratic Forces [SDS] movement—will not enjoy a majority in the National Assembly, which will make it difficult for it to carry out its election campaign program. I will remind you that Solidarity won over 90 percent of the votes, yet the Polish reform is not proceeding smoothly.

[Gulubarova] The Confederation of Independent Trade Unions in Bulgaria [KNSB] is accused of having lost the elections. Why did the idea of a democratic center fail?

[Petkov] The KNSB did not take part in the elections, so it cannot have lost or won them. The idea of a centrist coalition failed for the following reasons. First, the political leaders failed to reach agreement on forming a coalition. Nothing was done, except to take part in the elections with a common ballot paper; otherwise, they should now have 12 or 13 seats in the legislature. The second reason was lack of time—20-30 days before the elections was too short a period to surmount the natural differences between the individual parties. The third reason has nothing to do with the presumed participants in the political center. A blow was dealt against them (especially the Bulgarian Social Democratic Party and the Green Party) and their local structures, and they were unable to overcome its consequences in the short period before the elections. The idea of a political center is not dead and buried. Whether anyone likes it or not, the idea will become a reality in the near future.

[Gulubarova] Nevertheless, was your open admiration of the SDS-Center and the SDS-Liberals not a mistake? Was this move not too hasty? Moreover, did you not also commit the KNSB in some manner or other?

[Petkov] The KNSB stance is expressed in only two documents: first, in the so-called "Three 'Yeses' and

Three 'Noes' of the KNSB," and second, in the 14 points of the election campaign declaration. These documents provided a basis for our working consultations with the political forces, and they contain no expressions of admiration for parties of any political color. The publicizing of my personal preference for the aforementioned two party groupings is an expression of my own position as a citizen. As far as I know, the Constitution and the Electoral Law at least do not prohibit me from doing this, irrespective of my position as KNSB chairman. By making my statement on television, I naturally also assumed risks of possible disapproval and criticism. [passage omitted]

The 2 million or so people who cast their votes for the moderate centrist organizations, or who withheld their support from the red or blue parties, in fact made a request for the formation of a political center. What is more, by their conduct at the elections, they outstripped the thinking and actions of the political leaders. It would be a good thing for the leaders of the SDS-Center, SDS-Liberals, and the two Agrarian Parties to take a closer look at the message sent to them by one-third of the voters and to set their party preoccupations to one side.

I now come to the issue of the "mistakes." As long ago as February 1990, the Independent Trade Unions came out in support of a coalition government. In November 1990, we declared that Bulgaria needed a new legislature. This position became a fact 11 months later. Let us, therefore, wait another 11 months before deciding whether the KNSB leadership is confused in pointing out the need to establish a broad political center in Bulgaria. I am convinced that we have made a good investment for the future that will benefit Bulgaria as well as our own organization. [passage omitted]

[Gulubarova] Some political forecasters predict that the next government will not last long, and that new legislative elections will soon be held. What do you foresee will happen?

[Petkov] Although I found it difficult to argue against Vladimir Kostov's splendid article on this subject (published recently in 24 CHASA), I sincerely hope that the new government stays in office as long as possible, because then it will be able to carry out—democratically, I hope—the most important intentions of its program. The politicians who even now prophesy the early fall of the new government are, wittingly or not, working to destabilize the situation in the country. This also illustrates one of the Bulgarian's negative characteristics: Before anything new has been established, we hasten to bury it or to declare it invalid. [passage omitted]

Until now, we have attempted to support the government and have done this to such an extent that we have sometimes been accused of collusion. The government, and its economic team in particular, cannot deny that, in certain crisis situations, the KNSB, in the literal sense of the word, guaranteed them safe passage to a new stage in the economic reform. This will not happen from now on. On the one hand, the KNSB is not inclined to sign agreements for social peace of the kind signed previously. On the other hand, while openly declaring that we support a right-centrist economic reform, at the same time we can neither allow extreme monetarism to be unleashed, nor permit Bulgaria to be forcibly subjected to a new experiment. However, we have no intention to deliberately confront the government and will not play the part of a destructive force. Viewing the situation realistically, conflicts may occur: first, in connection with the government policy regarding mass unemployment; second, in the protection of the socially disadvantaged sections of the population; and third, in connection with privatization and restitution of property. The last problem is so severe that there is a risk of confrontation, not only between us and the government, but also between the political forces and certain sections of the population. [passage omitted]

[Gulubarova] How will the Podkrepa Labor Confederation behave in the new situation? Will its points of contact with the KNSB increase, or the opposite?

[Petkov] You should put these questions to the Podkrepa leadership. They have two alternative courses of action. The first is to make public their unreserved support for the new government, thus repeating Solidarity's decision of several years ago. If they do this, they will turn into a government trade union. (I read somewhere in the press a statement by the chief of the Podkrepa Labor Confederation to the effect that they would not repeat this mistake.) The other alternative is for them to do what the KNSB is doing, namely to judge the government according to its deeds and from the viewpoint of the interests of hired labor. Then, and only then, can we have closer points of contact with them. [passage omitted]

[Gulubarova] Would you like to briefly comment on Ognyan Krumov's resignation. Are any further resignations expected?

[Petkov] Ognyan Krumov announced his resignation verbally before the elections. Together with him, we have passed through an exceptionally intense and physically and emotionally exhausting period of establishing the independent trade unions. His personal contribution cannot be denied, and I hope that, despite his resignation, he will continue to maintain his links with the KNSB in the future.

[Gulubarova] In conclusion, during the election campaign and afterwards, the TRUD newspaper was described as the KNSB's official newspaper. What is your comment on this?

[Petkov] I invite anyone who claims that TRUD is an official newspaper to come and help me in my work with the newspaper's management and editorial board. Then he or she will very quickly be convinced that the newspaper's stance is very independent, that it belongs to neither the left nor the right, and does not write its

articles according to the KNSB's instructions. Official newspapers do not normally have a circulation of 100,000; nor are they sold out at the kiosks before 8 a.m.

BSDP's Dertliev on Elections, Party's Role

AU0411165991 Sofia SVOBODEN NAROD in Bulgarian 22 Oct 91 pp 1-2

[Interview with Dr. Petur Dertliev, leader of the Bulgarian Social Democratic Party, by Katya Vladimirova; place and date not given: "The Principle of the Pendulum"]

[Text] [Vladimirova] Dr. Dertliev, since the Bulgarian Social Democratic Party [BSDP] failed to get into the legislature, both those who believe and love you and those who hate you have blamed you. How would you reply to these accusations?

[Dertliev] I would not be able to reply to all the admonitions made against me, since they are so contradictory. I would like those who reproach me to look for an answer in the accusations or admissions of the other side. Undoubtedly, there are things for which I can be blamed.

[Vladimirova] What things are these?

[Dertliev] For example, I understood too late that the party ought to have a more clearly defined image. This is why when the two forces began to polarize and confront one another, our own force of attraction in certain cases proved insufficient. I have no doubt that some of our own social democratic supporters did not vote for us but cast a so-called "useful vote"—when you have a polarized situation, negativeness is a leading factor.

[Vladimirova] That is, they voted "against," as opposed to "for".

[Dertliev] Exactly. They voted against communism, but not for a positive political platform. I would describe this not so much as a fault, but rather as a failure on my part, the fact that I did not succeed in uniting the parties of the center so they could become a focus of attraction. In the first place, this was the Nikola Petkov Bulgarian National Agrarian Union's role. There is something else that I did not succeed in doing: We were not able to react sufficiently well enough to the false appeals for love from the Bulgarian Socialist Party [BSP]. We were fighting for the same ground as the BSP—that is, the half of the Bulgarian electorate that is in the center and left of center. With their declarations of affinity with us, the communists gave their wavering members hope that it would evolve in a social democratic fashion, despite the fact that the BSP in essence is a right-wing party with an established track record. The BSP's flirtation with the BSDP was for effect, intended for the idealistically minded voter seeking social justice. These false declarations were widely used against us to show us as being in agreement. The following paradox occurred: The party whose leadership contained no communists was accused of almost conspiring with the communists by people who had, until recently, been communists. There probably is a conspiracy, but it is not with us. As the Gospel says: Why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

[Vladimirova] Dr. Dertliev, what is your assessment of the elections?

[Dertliev] Despite everything, I believe that these elections are a new stage in our democratic development. We will now be able to see how democratic our former governing party is in opposition and how democratic yesterday's opposition is in government. One indication of this will be their relations and tolerance towards the political formations outside the legislature.

[Vladimirova] Do you believe that the opposite situation to the one that occurred years ago, during Mitterand's election, is possible? Then the elections were "to the left" but the turn was "to the right"—at least that is how many political commentators analyzed Mitterand's economic policy. The elections in Bulgaria are more "to the right," but is it possible that they may need to conduct a "left" social policy?

[Dertliev] It depends on what type of government will be created. There is an objective necessity for a social democratic policy, but whether this will be the case, I cannot say at this moment.

[Vladimirova] What is your next move, now that you are an extra-legislative opposition?

[Dertliev] We shall not be irresponsibly critical. That is not our party's style. We will support every good initiative of the government. However, we shall assess its every move very carefully to see whether it is for the good of the majority of the Bulgarian people who have not become wealthy through profiteering or other means during the inflationary period.

[Vladimirova] Do you not believe that the SDS's economic program fully satisfies the party companies and that the BSP may oppose it in the legislature, but behind the scenes (as a party of capital) it will be in agreement with the right-wing economic program and laws? Is this not a social democratic veneer for naive idealists?

[Dertliev] A measure of the BSP's evolution will be its agreement to the liquidation of the different party companies' property within and outside the country. You cannot be both a defender of the socially disadvantaged and a capitalist.

[Vladimirova] What does the future hold for Bulgarian social democracy and, more specifically, for the BSDP as a party?

[Dertliev] There will be social democracy in Bulgaria. If not by us, then the space will be occupied either by the play-acting communist party or others wishing to call themselves social democrats.

[Vladimirova] Do you think that it is possible to unite with the social democratic factions in the SDS?

[Dertliev] We are open to everybody who shares our social democratic program, whether they are from the left, the right, or the center. However, the BSDP will not disappear from the political scene. We sacrificed short-term temporary prestige so as to succeed in the future. If anybody believes that by attacking Dertliev he will get rid of social democracy, then he is very wrong. A social way of thinking is inherent in Bulgarians. Social democracy cannot be destroyed in the world, despite the right-wing swing of today's political pendulum.

[Vladimirova] However, this is a pendulum, and it works on the principle of always seeking the center or equilibrium. This is our hope. Thank you for the conversation, Dr. Dertliev.

School Boycott Persists Among Ethnic Turks

AU0611102091

[Editorial Report] Sofia DUMA in Bulgarian on 1 November 91 carries on pages 1 and 3 several reports totalling 500 words by local correspondents from areas populated by ethnic Turks, under the headline: "Local Authorities Are Incapable of Coping With School Boycott."

Radka Petrova reports from the Kurdzhali area citing Sebahatin Ali, the newly appointed mayor of Momchilgrad, who says that "the problem of the school boycott should be resolved as soon as possible because any continuation of the boycott would affect our common interests." He adds that "the assistance of the central executive power is required for overcoming the situation," despite the fact that he held several meetings on the subject at the local municipal council.

Petrova further describes the situation in Ardino, where four of the 20 existing schools in the area are functioning normally, and 90 percent of the first grade pupils are attending school. Nevertheless, "more than half of the students from the fourth to the eighth grade are still not attending classes, thus supporting the claim of the Rigths and Freedoms Movement [DPS] for four-hour weekly Turkish language lessons within the framework of the normal school program," Petrova says. She confirms the "concern" of the new local government about the situation, adding that sanctions under the form of fines imposed on parents of children who refuse to attend school have so far proved rather ineffective.

Galina Antonova, Razgrad correspondent, reports that the parents and local authorities' concern about the children's education forced the majority of the "Turkish-speaking population" to "disregard the boycott declarations of the DPS" and cites Deputy Mayor Gyulten Eminova from Samuil Municipality, who is in favor of children's regular school attendance.

Tonka Patrova, Shumen correspondent, remarks that the boycott is subsiding in several municipalities, but according to "specialists from the School Inspectorate, the boycott is artificially prolonged in certain areas where DPS representatives have been elected as mayors."

Correspondent Ivan Ilkov from Blgagoevgrad reports that the "number of schools where lessons are boycotted is diminishing," but he still cites a number of villages in the area where children are not attending classes.

Ministers Meet To Discuss Coupon Privatization

AU0511150891 Prague CSTK in English 1627 GMT 1 Nov 91

[Text] Prague Nov 1 (CSTK)— The Czechoslovak finance minister and the republic privatization ministers today agreed that postponing large-scale privatization could have far-reaching consequences on the transformation of the country's economy and that coupon privatization would accelerate the process.

Federal Finance Minister Vaclav Klaus and the Czech and Slovak privatization ministers, Tomas Jezek and Ivan Miklos, discussed setting up working teams as soon as possible for the privatization of Federal, Czech and Slovak state property. The teams will approve privatization projects submitted by state-owned firms to the ministries. Details for further action will be worked out by November 8.

All three ministers agreed that the registration of coupon books, which started today, can take place according to the approved schedule.

When coupon privatization starts is not a key problem, Klaus, chairman of the Civic Democratic Party (ODS), told reporters after the talks. It is not necessary to bother the public now with discussions of its postponement, he added.

On Tuesday Jezek said coupon privatization should be postponed three months from the originally planned date of January 1, 1992.

Klaus Warns Against Delay

AU0511145291 Prague CSTK in English 1906 GMT 30 Oct 91

[Text] Prague Oct 30 (CTK)— Czechoslovak Finance Minister Vaclav Klaus, who is chairman of the right-wing Civic Democratic Party (ODS), today warned that any postponement of plans to privatize state industrial enterprises through the "coupon method" would lead to their uncontrolled privatization.

The Czech privatization minister, Tomas Jezek (Civic Democratic Alliance - ODA), was reported to have called for a six-month postponement of the scheme set to begin in January 1992 on the grounds that it was poorly prepared.

Addressing an ODS press conference, Klaus rejected the charge and expressed doubt that Jezek had made the statement.

Klaus also said he will deliver the opening speech at a session of the Chicago-based Mont Pelerin Society to be held in Prague November 3-5.

He called the society a bastion of liberalism and conservatism. He said he "is its only member from the whole East."

Jezek Calls For Postponement

AU0511145091 Prague HOSPODARSKE NOVINY in Czech 31 Oct 91 p 3

["(jm)"-signed report: "The Start Only in April"]

[Text]

Alternative Projects—When?

"Next week, the Czech Government will decide on the time frame for drafting alternative privatization projects," said Czech Privatization Minister Tomas Jezek at a roundtable organized by the Comenius society, a society for culture and education, on the evening of 29 October .

This roundtable is organized, now almost regularly, by the Comenius society, and selected people, such as diplomats, representatives of foreign firms, and small circles of journalists are invited to attend.

T. Jezek said further that, in his opinion, this time frame will be about two months long and will began as soon as the list of mandatory privatization projects of each enterprise subject to the first wave of privatization is published in HOSPODARSKE NOVINY. Prior to that, the ministry does not intend to issue any lists of privatized enterprises that would show the estimated portion designated for coupon privatization since, according to T. Jezek, such lists may not reflect reality. When asked by HOSPODARSKE NOVINY whether such a delay would not endanger the startup of the first round of the first wave of coupon privatization itself, Tomas Jezek only shrugged his shoulders. He stressed the fact that when evaluating alternative projects, the ministry considers important such criteria as guarantees of sales, employment, and exports and said that the ministry does not look favorably on projects that lead to a quick profit by new owners (or foreign owners, as the case may be), who would then leave the country.

In a very lively discussion, foreign participants asked the minister whether foreign partners would be able to gain entry to enterprises that are designated as "family silver." The minister said again that prospective foreign buyers will be excluded, mostly for sentimental reasons. However, his adviser, Ch. Jelinek, added that not only sentiment is involved here, but enterprises such as breweries and costume jewelry, ceramics, and china enterprises do not simply need foreign investments. When asked about the mechanism that would exclude foreign capital from the privatization of such enterprises, the minister said that it would be premature to speak about it, yet he admitted that in a longer time span—when these enterprises are privatized and are in Czech hands—it would be impossible to rule out their possible sale to foreign buyers, and the government does not even intend to. Neither the minister nor his adviser explained the technical solution to the privatization of these enterprises.

T. Jezek Favors Postponement

On the evening of 29 October, in a radio broadcast, "Echo of the Day" on Radio Czechoslovakia, Minister T. Jezek said that a proposal to postpone the beginning of privatization until next April is a part of the document "Report on the Progress of Large Privatization" that he presented to the Economic Council and that the Council recommended to be supplemented and presented to the Czech Government. According to the minister, there are six reasons for the postponement. First and foremost, the murderous deadline for approval of the privatization and rival projects and the change in real estate and land prices according to the new bylaw—which means that privatization projects already drawn up will have to be revised. Moreover, projects that are coming to the Ministry of Privatization do not clearly deal with problems connected with restitution claims. According to the minister, the establishment of new shareholder companies is hampered by the fact that cooperation with statistical offices, courts, etc., is often difficult. He said a major problem was that it is impossible to provide people with objective and high-quality information on privatized enterprises. He said that his ministry will have available such indexing only after privatization projects are approved, which will not be by the end of this year, however. Minister Jezek stressed that all these problems are outside his ministry.

Klaus Comments on Budget Talks, Screening Law

AU0611123091 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 4 Nov 91 p 2

[CSTK report: "A Massive Breach"]

[Text] Havirov—Regarding the forthcoming budget talks, CSFR Finance Minister V. Klaus stated at a meeting in Havirov on 2 November that the budgets must be formulated in such a way that each one is dependent on the revenue it is capable of producing. "This will mean, for instance, that there will be more in one budget for health care, education, culture, or whatever, while there will be less in another budget. This will also mean a massive breach with our way of thinking and philosophy over the past 40 years," said the finance minister. In reply to questions concerning the screenings law, V. Klaus said that if we are a state in which the laws apply, then the screenings law is the law, and not implementing it would be illegal. "The pharisaism and hypocrisy now beginning to be whipped up around this law is, in my opinion, truly unbelievable impudence and is incredibly scurrilous," stated V. Klaus.

Report Summarizes Wage, Price Developments

AU0511160791 Bratislava NARODNA OBRODA in Slovak 4 Nov 91 pp 1-2

[Zuzana Alnerova report: "How Well Off We Are"]

[Text] Bratislava—A recapitulation of social development during the first six months of this year reveals a deviation from the intentions of economic reform, especially in creating market relations and in the development of the population's purchasing power. Contrary to what was forecast, our gross domestic product has deteriorated considerably. This was reflected in the higher than expected rise in and the level of unemployment and in the greater difference between the rise in the cost of living and incomes.

The decline in employment during the first six months of the year had a greater impact on industry—first and foremost, in the engineering, electrotechnical, electronic, textile, and foodstuffs sectors—that has put 78,081 people out of work. Employment has also been reduced substantially in construction (33,452), domestic trade (25,627), and agriculture—not including farming cooperatives—(15,839).

What We Are Working For

The average wage has risen by 338 korunas in the state sector and amounts to 3,479 korunas. The most significant annual increase was recorded in budget-funded organizations (14.4 percent), which has had an impact on wage measures in health and social care. The wage increase in economic organizations amounts to 9.7 percent. These figures represent the average of rather unequal wage fluctuation. For example, during the second quarter of 1991 almost 27.5 percent of employees received an average annual wage increase of just under five percent, while 18 percent received raises of 20 percent and more.

Are There Many or Few Unemployed?

During the first six months of 1991, the number of unemployed increased 4.3 times in comparison to the end of 1990. If we compare the economic results, however, the decline in gross national product was not followed by reduced unemployment. If last year's productivity level had been maintained, the 17.4 percent decline in industrial output should have resulted in 134,000 fewer jobs. In fact, only 63,000 jobs were lost. Similarly, we would have 32,700 more unemployed construction workers than we actually have (33,000). It is possible to assume that, in this situation, the production enterprises will gradually exhaust their profits and not be able to further delay laying off a considerable number of their employees.

Pensioners and Pensions

The principle that pensions will immediately increase if the cost of living increases by at least 10 percent, or if average wages rise by at least five percent from the date of the last pension increase, is contained in Law No. 46/1991. Increasing pensions will not prevent a deterioration in pensioners' standard of living. It will only contribute toward alleviating this process because the

real value of pensions will fall by approximately 15 percent. It will be relatively less in the case of low pensions.

Families With Children

The state compensatory allowance introduced on 1 July 1990 in connection with the elimination of subsidies on food prices was one of the social measures that affected families with children. The most important form of social assistance, allowances for children, was not amended. This is taken into consideration in the law on state support for families. This law should be implemented in 1993.

How Prices Have Increased

Prices increased by 64.2 percent during the first six months of this year in comparison with the same period in 1990. This was projected in the cost of living curve, where an increase of 59 percent was recorded.

We have spent 75 percent more on food compared to last year, and the real purchasing power of wages—in view of the increase in the cost of living—has declined by 30.5 percent. This figure is significantly higher than the one forecast. This forecast was used as a starting point in determining the levels for wage increase targets on the basis of the general agreements. The number of people whose standard of living is being pushed below a socially tolerable level by inflation and unemployment is rising.

Therefore, the government is attempting to raise some social allowances to alleviate the impact of cost of living increases on the standard of living.

Calfa Sets 'Minimum Conditions' for Joint State

LD0611034891 Prague Ceskoslovensky Rozhlas Radio Network in Czech 2200 GMT 5 Nov 91

[Text] The extraordinary session of the Federal Government ended in Prague tonight. After a detailed discussion, it assumed a position on the definition of jurisdictions within the framework of the joint state. Prime Minister Marian Calfa acquainted journalists with the Federal Government's statement:

[Calfa, in Slovak] The government of the CSFR considers the preservation of the joint state of the Czechs and the Slovaks and the other nationalities living on its territory to be one of the primary tasks of its activity. In harmony with its mandate, it is fulfilling the policy statement, as it pledged to the Federal Assembly and to the citizens of this state. It respects and supports the need for the new constitutional legal setup. At the same time, the Federal Government is determined to promote everything that can lead to a speedy drafting and endorsement of the constitution and to do everything to overcome the current uncertainty and destabilization trends.

The Federal Government sees as minimum conditions for the existence of the joint state:

First, a directly elected legislative body that has supreme legislative jurisdiction on the entire territory in all matters of fundamental rights and liberties of citizens;

Second, international legal subjectivity, including the protection of state territory and its integrity, the protection of citizens and of the application of the federal constitution;

Third, a common constitution, binding on the whole territory of the state for all state bodies and for all citizens.

Fourth, the permanent securing of effective running of the joint state and all its necessary institutions;

Next, the fundamental integrity of the economic system and of the economic policy among which is: a common currency, united market, basic conomic legislation, and macroeconomic regulation;

Next, the adoption of the principle of civic solidarity and appurtenance as the starting points for social policy;

Next, the financing of important joint activities, in particular in economic and ecological areas.

A common state primarily means a common constitution. At this moment, the government is convinced that the proposed treaty between National Councils should be concluded as soon as possible. However, it will be binding for the Federal Assembly only if the Federal Assembly decides that on its own. The Federal Government understands this treaty as a constitutional activity, the content of which will be integrated into the text of the new constitutions as their inseparable part. Amendments of constitutions in the future could be carried out only in such a way as not to violate the interest of either of the Republics.

The Federal Government will acquaint the public with a detailed view on the concrete division of jurisdictions, following from his statement, and it will present it to all involved bodies.

Slovak Commission Split on Referendum Issue

AU0611092491 Bratislava PRAVDA in Slovak 1 Nov 91 p 2

["(vy, sh)"-signed report: "Will There Be a Slovak President?"]

[Text] Casta-Papiernicka—The Slovak National Council [SNR] Commission for the Preparation of the Draft Slovak Constitution dealt mainly with the provisions for a referendum and with the issue of the head of the Slovak Republic at its meeting in Casta-Papiernicka yesterday.

Contentious points of view cropped up in the discussions on both parts of the draft constitution. This was obvious from the dissatisfied expressions on the commission members' faces and from what they said during their breaks. The dispute over the provisions for holding a

referendum centered on the kind of issues on which the Slovak legislature will be able to declare a referendum. The majority of proposals envisage that a decision should also be made in a referendum on the Slovak Republic's possible secession from the CSFR, or on its entry into other state unions. The dilemma lay in whether the Slovak constitution could contain such a provision and in whether this would be constitutional or anticonstitutional, since secession from the CSFR is reviewed in the existing Federal Constitutional Law No. 327/1991. However, as Deputy Lubomir Fogas (Party of the Democratic Left) said, it is essential to realize that we are establishing a new constitutional system that can also venture to adopt specific new solutions. Another dispute focused on whether it is only possible to declare a referendum throughout Slovakia or whether it can also be declared in part of its territory. Deputy Zdena Tothova, a representative of the Green Party, proposed that a referendum be held in part of Slovakia's territory to decide on important issues of public interest, especially if they are concerned with the environment.

The issue of who should carry out the post of head of the Slovak Republic was a serious one. According to one group, the status quo should be maintained or the Slovak Council's Presidium should act as a collective head of the Republic. Another group envisages that we will have a Slovak president. The proposal that the chairman of the Slovak Council should be the head of the Republic is a compromise proposal. As far as the authority enjoyed by the head of the republic is concerned, the individual groups' views do not vary too much.

We asked L. Fogas whether we will have a legislative or a presidential republic, in accordance with the head of the republic's authority in relation to legislative power (the Federal Assembly), to executive power (the government), and to judicial power or—as the case may be—whether the SNR will come up with a combined model. He replied that the Commission has not yet dealt with the parts of the draft constitution on the status of the Federal Assembly, the government, and the judiciary. However, we will obviously adopt a variant that calls for a legislative form.

The Commission's meeting continues today. The SNR Presidium will discuss the results of its work in the afternoon.

Pithart: Nation's Future To Be Decided by 20 Nov

AU0611092191 Prague HOSPODARSKE NOVINY in Czech 31 Oct 91 p 2

["st"-signed report: "Time of Budgets and Decisions"]

[Excerpts] "I consider 20 November, when the Czech Government is scheduled to discuss the draft budget for next year, to be the time limit. I am afraid that if no agreement with the Slovak side on important issues is reached by then, it will be hard to save the common state," said Czech Prime Minister Petr Pithart during a break in yesterday's session of the Czech Republic Government.

He also expressed his concern over the fact that at a time when talks are being conducted in Brussels on signing the association agreement [with the EC] as soon as possible, Slovakia still insists on its proposals being discussed at an EC plenary meeting. In the opinion of the Czech prime minister, Slovakia is not eager to join a Europe that would not accept its amendments. [passage omitted]

Speaking about the drafting of budgets, Czech Minister of Finance Karel Spacek told journalists that two types of expenditures are being foreseen. The first type are expenditures that must be provided uniformly on the entire state territory—this concerns, for example, retirement benefits—and the second type are expenditures that depend on individual budgets' revenues. It follows from this that some revenues of the federation must be regulated in such a way as to enable the application of the so-called principle of civic solidarity. It is apparent that other per-capita expenditures will either be the same in both republics (this year, they are higher in the Slovak Republic) or, in the event of shortage of resources, they might even be lower in Slovakia. A way is being sought for the budgetary system to ensure that the federation does not fall apart over the budgets. Further work on drafting the budgets will be influenced by talks between representatives of the two republics. [passage omitted]

[Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech on 31 October on page 2 carries a 400-word "sc, iko"-signed report on the 30 October session of the Czech Government. According to the report, the government approved a decree on tax relief for newly starting private farmers. The decree exempts from the income tax grants and subsidies that private farmers receive from the state budget or from state-run funds, grants to them an unspecified "relief from the income tax" for a period of three years, and exempts them completely from the land tax for a period of three years.]

Interior Ministers Hold Talks on Jurisdiction

AU0611093791 Prague RUDE PRAVO in Czech 1 Nov 91 p 2

[CSTK report: "The Interior Ministers on Jurisdiction"]

[Text] Prague—The federal and republic interior ministers—J. Langos, T. Sokol, and L. Pittner—held a meeting in Bratislava on 30 October to discuss the demarcation of jurisdiction among federal and republic bodies in the spheres of domestic order and security. Federal Interior Ministry Press Spokesman M. Fendrych informed CSTK of this on 31 October. According to him, Minister Pittner proposed that the Slovak Interior Ministry's jurisdiction be expanded, and J. Langos considers the federal body's current range of jurisdiction to be somewhat inadequate. In his [Langos'] opinion, it is necessary to expand federal jurisdiction in the sphere of

domestic order and security by providing a single information and communications system that would serve all the security elements. According to Minister Langos, the federation should also be entrusted with keeping specific kinds of enumerative nationwide records necessary for the security bodies' activity.

The ministers will hold a further round of talks on jurisdiction on Saturday, 2 November.

Not one of the parties was willing on 30 October to convey, following a query from CSTK, any information on the course and results of the talks.

Papers Report Thefts of Semtex, Explosives

AU0511175691

[Editorial Report] Czech newspapers on 30 October and 2 and 4 November publish a number of items on thefts of explosives, including Semtex, caused by inadequate precautionary measures.

Prague MLADA FRONTA DNES in Czech on 30 October on page 1 carries a 500-word "pka"-signed report entitled "Poorly Maintained Semtex Records." The report deals with current investigations into the case of five persons (two from Ostrava and three from Banska Bystrica) who were detained in Opava on 16 October for possessing 20 kilograms of the Czechoslovak-made Semtex explosive.

According to the report, the Semtex seized "originated from an agricultural cooperative near Banska Bystrica, where it was used in limestone quarries." Ostrava Police Chief Captain Radim Prazak is quoted as having told MLADA FRONTA DNES that "the Semtex records are so poorly maintained that explosives managers can save some of it. No one is in the position to ascertain exactly how much of it was actually used during the blast." The explosives managers even "borrow the explosive from each other," Prazak went on to say, and "did not rule out that Semtex is handled similarly in other enterprises as well."

The MLADA FRONTA DNES report notes that the "five men detained in Opava obviously were beginners in the arms trade." This is shown by the fact that "they assumed that they would be able to sell the 20 kg of Semtex for 300,000 German marks, a price at which Semtex would be very hard to sell." During the investigations, the five men reportedly did not specify to whom they wanted to sell the explosive, and only "claimed that they would sell it to anyone."

Prague MLADA FRONTA DNES in Czech on 2 November on page 7 carries a 200-word Hana Vojtova report stating that the explosives manager at the Alexander mine near Teplice has misappropriated 10.5 kg of carbon metanide [uhlometanid], an industrial explosive, and is being prosecuted on charges of "unauthorized possession of arms."

Prague LIDOVE NOVINY in Czech on 4 November on page 2 carries a 300-word "yst"-signed report entitled "Had the Theft Been Prepared?" The report deals with the burglary of the explosives' warehouse at the building site of the Strahov tunnel in Prague "during the weekend." The perpetrator, who has not yet been identified, removed 40 kg of the "Perunit" from the warehouse explosive, as well as 325 electric detonators.

Slovak Commodities Exchange To Begin Operation

AU0611131391 Bratislava PRAVDA in Slovak 31 Oct 91 p 3

["hm"-signed report: "Exchange in the Offing"]

[Text] Bratislava—SCARME (Slovak Commodities and Raw Materials Exchange) [preceding word in English] will be the name of the Slovak Commodities and Raw Materials Exchange, shareholding company, that is to be based at the Barum Rubber Works at Puchov. The Barum company is also one of the founding organizations of the exchange, together with BERD, a private Armenian company based at Yerevan, the Surgutskaya Commodities and Raw Material Exchange from the USSR, and the U.S. SIBIR, Inc. company. According to information provided by Barum representatives at yesterday's news conference in Bratislava, the exchange ought to revive Slovak enterprises' trade and solve problems with marketing their products, chiefly by exchanging them for raw and processed materials from the USSR. The exchange's startup capital is $6 million. It will be underwritten in the form of common shares with a nominal value of $10,000 and $5,000. Czechoslovak participants will also be able to purchase shares in korunas. The sale of shares will begin on 11 November 1991 and end on 30 November 1991. Every owner of $10,000 worth of shares will be given the right to establish one brokerage firm at the exchange. Following its registration with the court, the exchange will go into operation at the beginning of next year.

National Assembly Considers Recognizing Croatia

LD0611001791 Budapest MTI in English 1822 GMT 5 Nov 91

[Text] Budapest, November 5 (MTI)—Hungarian MPs [members of parliament] appear hesitant to fulfill a request to recognise an independent, sovereign and free Croatia. The request was submitted by MP Vilmos Horvath (Alliance of Free Democrats) on behalf of Croats living in Hungary. Horvath made the request prior to the opening of discussions in parliament today.

The Hungarian Democratic Forum (HDF) (the largest party of the governing coalition) and the government respect the autonomy of all nations, HDF MP Balazs Horvath said, but it would be a tactical and political mistake for Hungary to be the first country to take this step. When making the decision, Hungary has to consider the effects it would have on the fate of Hungarians living in Yugoslavia, he added.

A few countries recognising Croatia's sovereignty is no genuine solution, Hungarian Socialist Party MP Laszlo Kovacs stated, however right may this step be from a moral aspect, the Yugoslav crisis would not be resolved by it. Independent Smallholders' Party MP Sandor Olah reiterated a six-party agreement concluded earlier, according to which Hungary cannot propose the recognition of Croatia.

Hungary can only recognise Croatian sovereignty when parliamentary parties establish a consensus on the issue and when they coordinate their views with those of the international community, opposition Federation of Young Democrats MP Gabor Fodor said. Hungary, he added, has to display a special tact in this respect because the Yugoslav civil war is going on along Hungary's borders, and any hasty step can bring the country into a very uncomfortable situation.

Fodor, however, supported the proposal, saying Hungary must back a sovereign Slovenia and Croatia because all nations have an indisputable right to autonomy.

Christian Democratic People's Party MP Tibor Fuzessy expressed his backing of the proposal, referring to the common historical heritage of Croatia and Hungary. At the same time, he asked for further information to be collected before the parliamentary group can make a positive decision.

Trade Relations With USSR Detailed

LD0511131891 Budapest MTI in English 1206 GMT 5 Nov 91

[Text] Budapest, November 5 (MTI-ECONEWS)—In the first ten months of the year, Hungarian companies exported 738 million US dollars' worth of products to the Soviet Union, while imports were worth some 1.3 billion USD. However, only 340 million US dollars' worth of exports and 890 million US dollars' worth of imports have been paid for so far.

Hungarian exports to the Soviet Union are expected to reach 1 billion USD by the end of the year, while imports from the Soviet Union are likely to be between 1.5 and 1.6 billion USD, though deliveries already contracted for this year suggest that exports could reach 2 billion USD. The problem is that Soviet companies cannot obtain bank guarantees for their purchases, Geza Koczka, senior official at the Hungarian Ministry of International Economic Relations told MTI today.

Next year, for the first time, Hungary will conclude trade agreements with individual republics, not the central Moscow government.

Hungary's most important trade partner is the Russian Federation and representatives from there are to continue preparatory talks next week on indicative lists of goods to be traded next year. The indicative lists are expected to envisage 1.7 billion US dollars, worth of deliveries by both sides. The Russian export list contains 1.5 million tonnes of oil. The list also includes 150,000 tonnes of coal, 500,000 tonnes of coke and 100,000 tonnes of aluminium, as well as timber, vehicle parts, and 20,000 cars.

The Hungarian Paks nuclear power station is likely to be able to continue to buy heating elements from the Russian Federation, at a cost of about 40 million USD next year.

Russia is expected to purchase agriculture produce and foodstuffs worth 250 million USD from Hungary, along with 1 million tonnes of grain and 250 million US dollars, worth of pharmaceutical products. Russia also intends to import 4,000 buses at a cost of about 300 million USD and bus spares worth another 100 million USD. Considerable interest has also been shown in Hungarian vehicle components with the Russian Federation planning to spend 60 million USD on these items.

Assembly Approves Bill on European Bank

LD0611115291 Budapest MTI in English 1046 GMT 6 Nov 91

[Text] Budapest, November 6 (MTI)—On Wednesday, the Hungarian National Assembly approved, with no votes against, the bill on the agreement aimed at creating the European Reconstruction and Development Bank.

MPs [members of parliament] then opened a debate on the proposal announcing the agreement dealing with children rights based on the New York motion passed November 21, 1989. Parliament is expected to complete the general debate over the bill on social insurance and local government administration, on Wednesday. MPs will also debate the 1992 system of support for local governments. According to plans, parliament will continue the general debate on the so-called III/III section, the former secret service.

Center-Right Coalition Government Foreseen

LD0611061891 Warsaw PAP in English 1856 GMT 5 Nov 91

[Text] Warsaw, Nov. 5—Presidential Spokesman Andrzej Drzycimski said that the concept of a centre-right government seems to be crystallizing after a series of consultations held by President Lech Walesa on Tuesday.

This government would probably include representatives of the Citizens' Centre Alliance (POC), the Electoral Catholic Action (WAK), the Liberal-Democratic Congress (KLD), and the Confederation for Independent Poland (KPN) because these parties have reached a preliminary consensus. The coalition might later attract other parties to join it, Drzycimski said.

The four parties are going to meet later this week, most probably on Thursday, to suggest the candidate for prime minister's office. During the consultations so far Jan Krzysztof Bielecki has been frequently mentioned as candidate, Drzycimski said but declined to mention any other names.

The political consultations today included meetings with Bronislaw Geremek of the Democratic Union (UD), Aleksander Kwasniewski of the Democratic Left Alliance (SLD), and Waldemar Pawlak of the Peasant Party (PSL), the main winners in the parliamentary elections earlier this month.

Bronislaw Geremek was satisfied with the meeting at which he assured the president that his party was prepared to bear responsibility for the country and it would definitely support any "wise" programme. He was also satisfied to find that the president shared the opinion that implementation of a viable programme must be a priority.

The president and leader of the Democratic Left Aleksander Kwasniewski reviewed the major political issues of post-election Poland, including the new government, its programme, and the future position of post Communists in Poland. Kwasniewski declined to say whether he and the president discussed candidates for the prime minister's office. He admitted he told Mr. Walesa that holding the president's and premier's offices by one person would not be appropriate. Kwasniewski declared that his party may support the government when concrete persons are known. Before that it is only a theoretical game, he added.

Peasant leader Waldemar Pawlak and President Lech Walesa talked about various coalition configurations enabling political stabilization and the formation of a government. The president and the PSL leader also talked about the inevitable correction of the economic programme. Further consultations between the two will follow.

Social Democracy Leaders View Election Results

AU0511185491 Warsaw RZECZPOSPOLITA in Polish 31 Oct-1 Nov 91 p 2

['T.R' report: "In Opposition"]

[Text] "We are far better off in a democracy than we were when there was no democracy," said Aleksander Kwasniewski, chairman of the Social Democratic Party of the Republic of Poland, at a news conference of the Alliance of the Democratic Left on Wednesday. He was referring to his party's election performance.

Alliance leaders Wlodzimierz Cimoszewicz, Aleksander Kwasniewski, and Wit Majewski did not comment on the president's proposals concerning a government. "It is too early to judge these proposals because they are not backed by any documentation," Kwasniewski said. "We would also like to know what kind of program Lech Walesa has to offer as a candidate for prime minister."

The Alliance leaders claim that they will perform an opposition role in the new parliament, though Cimoszewicz said they are ready to cooperate in forming a government majority. "We want to be a constructive opposition, but if anyone says that decommunization is more important for Poland than economic reform, we will oppose him. We will also oppose the Sejm if the first law it passes is the anti-abortion law."

Kwasniewski considered the election result to be a clear sign of society's disapproval of the power elites. "A Solidarity government would have been a government of salvaging the Solidarity myth, not salvaging the nation," he said.

The Alliance of the Democratic Left considers the election result to be proof of society's support for it, which "makes it necessary for us to consider the Alliance's organizational continuity," said the Alliance leaders. "Each party forming part of the Alliance will preserve its identity. The Alliance is open to new parties, and is also ready to cooperate with political forces with similar programmatic principles."

SDRP's Miller Rejects Walesa-Led Government

AU0611124591 Warsaw TRYBUNA in Polish 2-3 Nov 91 p 1

[Interview with Leszek Miller, leader of the Social Democratic Party of the Republic of Poland and the Alliance of the Democratic Left, by Dariusz Szymczycha; place and date not given: "The Social Democrats Are No Fig Leaf"]

[Text] [Szymczycha] Voters have given the Left a place in Parliament. Does the Left want to participate in the government?

[Miller] I personally exclude such a possibility. Our role in a coalition government would be a negligible one. I do not see the Social Democratic Party of the Republic of Poland [SDRP] as being a fig leaf for "Solidarity" and right-wing governments.

However, we do not want to shirk responsibility for the Polish state. We feel that we bear a share of responsibility that is commensurate with the degree to which we are represented in the Sejm and the Senate.

[Szymczycha] All the parties and groupings that took part in the elections are ostracizing the Alliance of the Democratic Left. They emphasize that they do not see a coalition with the parliamentary left as possible.

[Miller] I find the show that they are making out of distancing themselves from the Alliance amusing. After all, no one has asked us whether we want to be part of a coalition or what company we would want to keep in the Sejm. I cannot imagine a coalition with those who are making the greatest noise about not wanting to have anything to with us, not just because one cannot combine the values of the democratic left with right-wing authoritarianism, but primarily because we will not go along with an economic concept that is leading Poland toward catastrophe.

[Szymczycha] It is being charged that the Alliance and the SDRP are opposed to reform and that they will hinder the "Solidarity" reforms.

[Miller] If today's "Solidarity" camp wants to implement reforms by ruining the Polish economy, then we are opposed to reforms of that kind. We do not like unemployment, privatization, selling off national assets for next to nothing, and abolishing the social functions of the state, and if someone calls that being opposed to reform, then he is free to do so. However, the outcome of the parliamentary elections shows that responsibility for the destruction of the Polish economy over the past two years is, at any rate, an issue that merits being the subject of a serious parliamentary debate.

[Szymczycha] Recently, the president has shown himself to be fond of chatting about the Left. He would, for example, like the Left to solve the unemployment problem?

[Miller] Unfortunately, I do not know when what the president says should be taken seriously. Is it when he is trying to raise funds on the other side of the Atlantic, or is it when he is conducting a campaign of slander and insinuation against us? Or is he being serious when he announces consultations with the SDRP on the subject of forming a new government and proposes solving problems such as unemployment. Incidentally, it will not be possible to solve the unemployment problem if the president continues to support the Balcerowicz plan. One can only express regret that the unstable nature of Lech Walesa's views is giving rise to instability in Polish political life.

[Szymczycha] Do you support Lech Walesa as a candidate for the office of prime minister?

[Miller] I think that that is a bad idea for both constitutional and practical reasons. Besides, the president has a lot of work as it is.

[Szymczycha] The parliamentary elections were a test for the Social Democrats. Were they successful?

[Miller] I am pleased that the result was a positive one. We obtained a social mandate to be politically active. We mobilized an electorate that was several times larger than our party. We won allies. The Social Democrats had 23 "contractual" deputies, and we now have 36 deputies who were elected in a completely democratic manner. The president has got his left leg. The party that was meant to be that leg, Tadeusz Fiszbach's party, has completely ceased to exist.

I want to say thank you to all my colleagues who organized our election campaign, against all odds, for doing a good job in the regions. We have scored a success.

Cimoszewicz States Terms for Backing Government

AU0611122491 Warsaw TRYBUNA in Polish 2-3 Nov 91 p 3

[Interview with Wlodzimierz Cimoszewicz, leader of the Alliance of the Democratic Left, by Ewa Rosolak; place and date not given: "Without A Feeling of Triumph"]

[Excerpts] [Rosolak] In your opinion, does the election outcome represent a defeat or a success for the Left? In the presidential elections, you picked up more votes than the whole alliance did on this occasion.

[Cimoszewicz] If we are to go into figures, then we lost about 300,000 votes of the 1.5 million people who voted for the Left back then. That is reason enough to think over why we should have lost the votes of some and failed to attract new voters. My impression is that our voters, although they are more aware and disciplined than others, were not 100 percent prepared to go to vote. This sickness, of not wanting to participate in public life as a result of disillusionment and the loss of faith, also afflicted our electorate.

However, in general, we did rather better than the others, especially when you consider the losses that were sustained by "Solidarity" groupings. There is a basis for satisfaction then, but not for a feeling of triumph. That is why the triumphant mood that one can observe in left-wing circles should only be a momentary feeling of joy. [passage omitted]

[Rosolak] I understand that you have still to decide what to do next. Will the Alliance enter government or will it go into opposition?

[Cimoszewicz] It would surely be more relevant for us to say what is important for the state. There are several basic questions. First, economic policy should be reoriented and a resolutely anti-recessionary course should be assumed. Second, the idea of social justice, in a broad sense, should be respected. Third, the current relationship between the president and the Parliament should be preserved. There can be no agreement to strengthen the role of the president to such an extent that there would be a danger of return to authoritarian rule.

If these principles are accepted, then we will give our support to anyone who will implement them, regardless of whether we are in the government or not. If these basic principles are called into question, then we will be in opposition to the government, irrespective of who will form it. [passage omitted]

Stolojan Interviewed on Government Tasks

AU0611095691 Bucharest ROMANIA LIBERA in Romanian 29 Oct 91 pp 1-2

[ROMANIA LIBERA "exclusive" interview with Prime Minister Theodor Stolojan by Sorin Rosca-Stanescu in Bucharest on 25 October: "The Countdown Has Started"—first paragraph is introduction]

[Text] My meeting with Romania's Prime Minister Theodor Stolojan was set for Friday, 25 October, at 19:00 local time, in an office in the Victory Palace, a very busy day for the prime minister. I was afraid that he would be too tired to answer the questions I had prepared for him—some of them of an embarrassing nature. He told me that he was really ready. He did not ask to see the notes later, to correct accidental errors or mistakes in the construction of sentences. He gave the impression that he believes in journalistic fair play. The fact that the entire conversation was recorded by the Government's Press Bureau and that it was presented to its spokesman, Miss. Iolanda Staniloiu, is most natural. Mr. Stolojan gave calm, simple, and concise answers to all questions, without theatrical, pretentious, and demagogic expressions. I parted with him convinced that he is a modest person of good will, who is concerned about the destiny of our country and who is paying attention to the way in which the country's problems are reflected in the press. One remark: Questions about the reform received an obviously prompt answer. I think that the option of the new prime minister to increase the speed on the road of democracy toward a market economy are not just vain words. God help us not to be mistaken.

[Rosca-Stanescu] Mr. Prime Minister, I have no doubt that many publications in our country asked you for an exclusive interview. Are you not afraid that a preference for ROMANIA LIBERA will be interpreted as a political gesture?

[Stolojan] No, I am not. I planned to meet with one paper or another approximately every two days. I took the measure of appointing a government representative for dialogue with the trade unions. In spite of the time pressure, I do not excuse myself from the duty of holding a dialogue with the press.

[Rosca-Stanescu] This interview will be published in the 29 October issue of our paper. What will be the number one problem of the government on that day?

[Stolojan] At the beginning of next week, I must hold a new meeting with the National Bank because, in the meantime, I have learned that the loan that the Group of 24 promised to grant us has finally been approved. It is imperative to sign the document, and this offers prospects for finding new solutions for financing the import of crude oil and fuel oil, which is an essential requirement for overcoming the coming winter. While we shall not solve the entire problem in this way, it is a good start. I am greatly concerned about the energy situation of our country. Our situation has reached a limit, even a terrible one. Our stock of fuel oil lies at 31 percent of what we had last year. This loan is the first ray of sunshine. The second problem of the government is to discuss the issue of prices, wages, and the unity of the exchange rate within an integration process. Last week, we discussed each of these issues separately. On Monday (that is yesterday, 28 October—editor's note), the government-trade union dialogue will begin.

[Rosca-Stanescu] I do not want to place you in an embarrassing situation in connection with the national leader of the National Salvation Front, Mr. Petre Roman, but it is well known that he left the executive office without presenting the country a detailed accountability report. Thus, is it the new prime minister's duty to do it? When will citizens learn about the real state of the country?

[Stolojan] We will soon—in a month at the most—issue the draft budget for 1992 and, together with it, the 1991 budget expense account. This will be a report that will include all the accounts regarding the way in which money was spent and where money came from. We requested the National Bank to start publishing the trade and payments balance. Thus, people will find out how the situation is developing.

[Rosca-Stanescu] This is important because only in this way will the government gain credibility. Can you make public the real situation of the debts of our country, which started off on its road with reserves of a few billion dollars?

[Stolojan] This country has started off with reserves between 1.4 and 1.7 billion dollars; I do not know the exact figure because it has varied. I will ask the National Bank to let the public know the exact sum. As you know, there were about 3 billion dollars of debts that were "earmarked." Do you see what it means to assume the risk to carry out priority exports to one country or a small group of countries? You know how things happened with Iraq. There are countries from which it is very difficult to recover debts, such as Zambia, Somalia, and others. That was one of the mechanisms through which the economy functioned. There was export activity with countries from where the return of money is very uncertain. Thus, there were these international reserves. Certainly, our economy reached a stage of imbalance and wasted these reserves in 1990 and, at the same time, it started accruing one short-term debt and another medium-and long-term debt. Other loans from the International Monetary Fund and the World Bank were taken, and lines of credit were opened. Loans have been granted but not used yet. For example: The 150 million dollar credit for health care has been granted, but not one single dollar used. That is it. The problem is how long can we carry on like that. One of the first answers is connected with the question over how long the transition will last. But there is another question as well: If the transition lasts for 15 years, then what do we do? Do we raise a 20 billion dollar debt? I do not believe that we can do such a thing.

Certainly, we will not be able to get away without debts, but the problem is to relaunch the capability of this economy to make income from export·. This relaunching is possible, maybe even as early as next year. At my request, the National Bank and other banks will study a proposal I have put forward. This is a method that has been practiced by other countries: to find certain ways to stimulate exports. This does not mean taking vital goods out of the country. First of all, we envisage the stimulation of possible exports, such as in the field of machine, dwelling, and installation construction. If this country does not succeed in making its exports work, its road will be only downward. Any economy of Romania's dimensions, which is about 60 percent based on energy imports, can drag on for one or two years, but it cannot resist longer than that.

[Rosca-Stanescu] Mr. Prime Minister, do you know the results of the investigation started by the Roman Government regarding Ceausescu's secret accounts?

[Stolojan] You can receive information from the governor of the National Bank on this issue, because he is the president of the commission in charge of it. As far as I know, this commission has not made great progress. After the disappearance of the Ceausescu family, the identification of those accounts became very difficult. Nobody is interested in disclosing them. Certainly, something has to be done in this respect, but of course, Mr. Isarescu is the person who can tell you how we stand.

[Rosca-Stanescu] You succeeded in a record time in convincing the country that you are going to continue the reform. Now the question is whether you will continue it with or without the communist structures that still appear in the administration.

[Stolojan] We will hold general elections, and we hope that, in this way, many of those people will be replaced soon. As far as I am concerned, since I have only six months in office, even if I planned the change of communist structures, I would not be successful. Things take a much longer time to deal with, to avoid the risk of disrupting public administration. The communist structure is a concept. To do something, one needs to know the situation of each person. This is a process that we are going to face for a very long time.

[Rosca-Stanescu] Mr. Prime Minister, returning to the state of our economy, one of the key issues is to stimulate small-scale production. The National Liberal Party [PNL], which is participating in the government, states that the country's financial situation can be improved only through small, stimulative taxes. What is your opinion about this?

[Stolojan] Well, I requested the Ministry of Economy and Finance to discuss this issue in the mass media and clarify this problem. There is some truth in what the PNL says. The question is how should one go about it and when. I believe that this can be achieved only after the taxation system has been changed. Thus, it can be achieved only after the value-added tax and the income tax, for example, have been introduced. Now, taking into account the income of all economic sectors and the tax paid toward the budget, there is a certain degree of taxation, is it not so?

[Rosca-Stanescu] Yes, there is.

[Stolojan] Fiscal degree represents a component of the economy. What can we do? We can change the proportion of various sources of income deriving from taxes within the system. Thus, we can advance toward a modern structure. The tax deriving from the mechanism of the value-added tax is increasing, while the taxes deriving from the mechanisms of direct taxation on profit is decreasing. Thus, implicitly, small-scale producers and commercial societies are favored. The PNL is demanding this immediately. According to our estimates, but also the estimates of foreign experts who assisted us in preparing concepts and methods, we can do this only on 1 January 1993, and only on condition that by that date, things are developing properly. I will see to it that the Ministry of Finance explains clearly the meaning of this mechanism. We cannot risk an adventure. It is not exactly simple to put the value-added tax into operation. The ministry will explain to the people what the situation is, especially now that the ministry is lead by a liberal.

[Rosca-Stanescu] The situation of elderly people is the most deplorable in Romania. What can you tell these people?

[Stolojan] You must have noticed that there has already been some change in the situation of pensions, which tends to remove the discrepancy that has been created. Parallel with measures connected with prices, wages, and exchange rate, we will try to maintain a balance between prices and wages.

[Rosca-Stanescu] The independent press and, I believe, the great part of the population will support you if you fight profiteering, corruption, influence peddling, tax evasion, and robbery. But in what way will you move beyond the stage of only stating your intentions?

[Stolojan] I have called upon the major institutions in charge of these areas, and I asked them to take a number of measures. On 30 October, we will receive the plans according to which the attack against those phenomena will begin. These measures will be made known to the public. Certainly, we will accept the suggestions of the mass media. The government and its institutions will play an important role in the struggle against corruption, profiteering, and the others. However, the public also has a certain amount of responsibility. I was assured by jurists that a number of instruments that are at the disposal of various organizations are valid and can be used.

[Rosca-Stanescu] You stated that you were in favor of local elections to be held sooner. What measures will be taken by the government to ensure proper elections?

[Stolojan] A team has made specific investigations among political parties. On 26 October, (last Saturday—editor's note) we will have the results. I will present these results to the president as well, because this is a major political issue. I hope that next week (this week respectively—editor's note) we can hold a meeting with the leaders of political parties and the presidents of the two chambers of the Parliament. I think that local elections should take place before the end of this year. To this effect, there are two laws: on local public administration and on local elections that should urgently be endorsed. There is already a difference in viewpoint regarding the time span between the endorsement of the law on local elections and the actual organization of those elections. Some believe it should be a 60-day time span. But you realize that 60 days means next year. Others talked about 45 days. If the law is endorsed on 1 November, then on 15 December, we could begin elections. A delay of only a few days creates complications because afterwards the winter holidays will begin.

[Rosca-Stanescu] Mr. Prime Minister, what guarantees can you offer to the public in our country and abroad about the correctness of the election since, at least in theory, it is always possible to face a manipulation through agents of influence—prefects, mayors, heads of police, and heads of the Romanian Information Service—who favor restoration and favor the conservative line?

[Stolojan] I asked this team to prepare proposals for ensuring correct elections. Apart from the fact that we are going to invite foreign observers, I am thinking of stimulating the organization of associations of volunteers who should supervise elections, the way it was done in Bulgaria. We are open to any proposal that can help us in this respect. There is an idea that in each county, apart from the commission set up in accordance with the law, a sort of commission that includes representatives of political parties should also be set up.

[Rosca-Stanescu] Do you believe that the presence of specific observers on behalf of civil society organizations would be useful?

[Stolojan] This is not against the law. However, the major thing is that citizens should trust the correctness of the elections. If suspicions persist even afterwards, this will be bad for Romania.

[Rosca-Stanescu] Let us face reality: Romanian society is troubled by suspicion. This is a state generated by the fact that certain elements—such as the ill-fated role that the television might play—are not taken into consideration. Let us not forget that there is a state monopoly over television. If a system that can guarantee the impartial nature of the television is not set up, or if an alternative television is not set up, public opinion might be manipulated.

[Stolojan] I do not believe that there will be such a great danger during local elections. Let us not forget that there will be a significant variety of candidates. However, I will notify the Parliament and the presidential institution about these issues.

[Rosca-Stanescu] There is a draft law on television that has been worked out by the leadership of the television itself in cooperation with the free trade union led by Mr. Dumitru Iuga, who, as far as I know, enjoys the support of the parliamentary and extra parliamentary opposition. If this draft law is endorsed by the Parliament, the state monopoly over national television would virtually cease.

[Stolojan] It is not within my power to solve this problem. I would be very pleased if the Parliament endorsed this draft law.

[Rosca-Stanescu] And also in connection with the credibility of local elections, you, Mr. Prime Minister, also know that the results of an opinion poll can influence the electorate and, hence, the results of elections as well. In Romania, there is only one such institution—the IRSOP [Romanian Institute of Public Opinion Surveys]—to which numerous well-motivated question marks have been linked. Do you know who has financed and who is financing the IRSOP?

[Stolojan] As far as I know, it is a private commercial society. I remember that, in the beginning, it was state owned. It is difficult for me to tell you from where they get their money.

[Rosca-Stanescu] This is the problem, Mr. Stolojan. I do not know newspapers that pay the IRSOP for opinion polls; then, how does this institution make a living?

[Stolojan] As far as I know, the government has not ordered opinion polls either.

[Rosca-Stanescu] There is still a state monopoly on distribution of the press. Private societies still do not have a country-wide field of operation. That is why newspapers do not reach villages and small towns. Let me show you now a written statement of the Society of Press Editors of Romania, in which you are urgently requested to conduct a dialogue to find solutions to this problem. I understand that you must study this written statement and cannot state your position at once; however, you could tell me what the government's approach to this problem is.

[Stolojan] I cannot help responding to this issue. Certainly, I will have to get in touch with Communications Minister Chirica and see what is going on in this area.

[Rosca-Stanescu] The British prime minister meets every day with the Press Office of the Government. Thus, each employee of the Press Office knows exactly what to tell journalists. Too late, during his last news conference held in this building, Mr. Petre Roman admitted that his contact with the press was not operating properly. Are you planning to get out from isolation through a greater openness?

(At this question, the prime minister interrupted his dialogue with me for a few minutes and spoke with Miss. Iolanda Staniloiu [the government spokesman]; at the end of their talk, he decided that his meetings with the press should be held about once every two weeks, and his spokesman should organize a daily briefing. The exact time of the briefings will be established later.)

Mr. Prime Minister, among the many unfulfilled promises of the former government, two continue to feed tension in our country. There has not been any kind of trial of communism, and the mystery of the terrorism in December 1989 has never been clarified. The people who were sentenced, were sentenced only for their deeds over 2-3 days. Today, people who for many years have committed abominable crimes are living undisturbed in Romania.

[Stolojan] During the press conference in Timisoara, I was asked whether we intend to take the necessary steps to open a trial of communism. I found it difficult to answer that question. In the meantime, I have studied documents. I still do not have all the facts at my disposal. I asked two ministers to help me form a viewpoint. Now, I can tell you that the approach to this issue is as follows: the courts of law cannot judge communism. Only a moral court can do that. However, the courts of law will judge people who, through their deeds, violated the law. Those who are guilty of so much misdeed must be identified.

[Rosca-Stanescu] I do not ask you whether you are a monarchist or a republican. However, I will ask you whether you consider that the republic is legitimate and legal in this country.

[Stolojan] I have to apologize from the very beginning; this is not my interest at the moment. There is still time for people to think of what has to be done. The government that will result after the elections will have to find solutions. A referendum is also envisaged.

[Rosca-Stanescu] Would an invitation to King Mihai by the government not confer us greater credibility? Is it not necessary to repair the great mistake of the Romanian Government?

[Stolojan] I cannot give you an answer before I consult with the members of the government. There are delicate implications as far as the public is concerned. Actually, I cannot say more without previous consultations with the government.

[Rosca-Stanescu] On behalf of the readers of our newspaper, thank you for this dialogue.

[Stolojan] Thank you, too.

Government Adviser Cites Need for Emergency Loan

AU0511204591 Bucharest ROMPRES in English 1913 GMT 5 Nov 91

[Text] Bucharest ROMPRES 5/11/1991—"We are in a difficult situation from the point of view of ensuring foreign financial resources," stated to ROMPRES Eugen Dijmarescu, government adviser, referring in particular to financial problems related to backing the reform in Romania. "A mission of the International Monetary Fund and the World Bank is now in Romania to discuss the resumption of the IMF assistance programmes and the loan to finance the 300 million dollar balance of payments," he said.

Mr. Dijmarescu showed that in its latest meeting the government also approved the contracting of an emergency loan to finance imports needed this winter, energy in particular, and to finance wide-scope projects in transport.

"So, Romania's financial situation is extremely precarious and all the talks held so far outline the option of international financial circles to finance first industrial development projects, infrastructure development, economic development proper and only collaterally to approve funds for emergency imports," Mr. Dijmarescu stressed adding that the talks with the World Bank mission whose initial programme envisaged a 300 million dollar loan to Romania for this month or for December to finance imports needed this winter, energy in the first place, evinced, owing to the changes occurred in Romania, that these funds will be granted in May-June 1992. Under these circumstances the alternative solution, in commercial financial circles, requiring a great courage of the government, of the Parliament and of the presidency, to obtain immediately non-reimbursable funds for crude and natural gas imports in a quantity that can reach 800,000 tonnes per month, is to concede industrial units in Romania. Not to sell," Mr. Dijmarescu stressed, "but to concede. There is another alternative, namely that all the funds in the reserve accounts of economic agents from this year's exports be bought by the National Bank of Romania or by the government and these funds pay the bill for the oil so badly needed these days. This is again a political decision.

Expressing his point of view on this issue, Mr. Dijmarescu assessed that all the financial resources of the country should be wisely used. If the National Bank buys the hard currency reserves of the economic agents that should go hand in hand with the unification of the exchange rates. The question is to know what consequence this unification is going to have on an industrial plane. The variant of the previous government was to subsidize the energy not only for the population but also for industry not to increase prices which could have had very serious effects. Mr. Dijmarescu suggested that the government and Parliament should decide that industrial units be conceded for 10, 15 or 20 years with the

condition that financial resources be deposited in Romania immediately able to ensure the necessary energy for a medium term. Concession is better than wait for the difficult auction procedures which might take more than two months and find ourselves in the middle of winter in the same situation as now, Mr. Dijmarescu said in conclusion.

Tokes Urges Inquiry Into Minorities Expulsion

AU0611120291 Budapest UJ MAGYARORSZAG in Hungarian 4 Nov 91 p 2

[Unattributed report: "Proposal"]

[Text] In my position as honorary president of the Democratic Association of Hungarians in Romania [RMDSZ—UDMR in Romania], and as one of the bishops of the Presbyterian Church in Romania and eternal priest of Temesvar [Timisoara], I demand publicly, in front of my beloved homeland Romania, the immediate investigation of the cases of Romanian citizens who were expelled, forced to emigrate, or forced to flee from the country during communism, particularly the cases of people who were forced to leave their homeland after the changes that took place in 1989. As is well known, hundreds of thousands of Jews, Germans, and Hungarians have left their homeland in recent decades in an unnatural and unacceptable way. Thousands of ethnic Romanian citizens have joined the flow of emigrants in recent years, something repeatedly incomprehensible in the "Romanian nation-state."

I call upon the RMDSZ faction in Parliament to raise the issue of citizens driven away from Romania at the first opportunity, in order to investigate their case.

I call upon the national, district, and local RMDSZ organizations, as well as the Romanian political parties, the national minority organizations, and the public to support my proposal. I am convinced that the investigation of this affair, the drawing of necessary conclusions, the establishment of responsibility, and the making of necessary decisions could contribute decisively to halting the continuous emigration process that discredits our country.

I respectfully send this appeal to the RMDSZ national leadership and parliamentary faction, individual Romanian political parties, national minority organizations, and the press.

Laszlo Tokes
Nagyvarad, 31 October 1991

International

EC Peace Conference 'Postponed Indefinitely'

LD0511173891 Belgrade TANJUG in English 1527 GMT 5 Nov 91

[Text] The Hague, November 5 (TANJUG)—The conference for Yugoslavia has been interrupted and postponed indefinitely, but a new cease-fire agreement has been reached, a Dutch representative said today.

He underscored that the conference for Yugoslavia was postponed indefinitely because of disagreement over the future state system of Yugoslavia. The foreign ministers of the European Community (EC) will decide about the fate of the conference in Rome on Friday [8 November].

The Dutch source also said that conference chairman Lord Carrington had managed to obtain agreement to a new cease-fire in Yugoslavia with an end to all hostilities, a deblockade of the Yugoslav People's Army [YPA] barracks in Croatia and their regular supply. This was agreed in separate talks between Lord Carrington and Croatian President Franjo Tudjman, Croatian Defence Minister Gojko Susak, Federal Defence Secretary General of the Army Veljko Kadijevic, and, as he especially underlined, Serbian President Slobodan Milosevic.

Lord Carrington said that the cease-fire had to become fully effective by Friday or he would propose to the EC foreign ministers in Rome that The Hague conference is definitely ended.

Lord Carrington will also propose that the ministers consider which sides do not accept the EC documents for settling the Yugoslav crisis proposed at the conference. The ministers could then adopt a decision on imposing sanctions.

The representative specified that today's debate at the plenary session was essentially about the first article of the general section of the proposal, and said that Presidents Slobodan Milosevic of Serbia and Momir Bulatovic of Montenegro had submitted a joint amendment. The amendment said that, in addition to the possibility of establishing independent republics and their free association, also asks for the possibility of a "common state of equal republics and nations who wish to remain in Yugoslavia as their common state."

The Dutch representative underscored that this amendment was not accepted by the other Yugoslav partners at the conference, and that Milsevic and Bulatovic considered as unacceptable, without such an amendment, the position which also allows, but without specifying, that the point here is Yugoslavia and the peoples who can decide about creating a common state.

The Dutch representative also said that Yugoslav Presidency Vice President Branko Kostic left the session because Lord Carrington would not let him speak.

Lord Carrington, Vance Arrive in Belgrade

LD0511231891 Belgrade TANJUG in English 1959 GMT 5 Nov 91

[Text] Belgrade, Nov 5 (TANJUG)—The UN secretary general's special envoy to Yugoslavia Cyrus Vance, who arrived on a one-day working visit to Yugoslavia this evening, told the press on arrival at Belgrade airport that the most important thing for Yugoslavia at this time was to establish a ceasefire on the basis of the agreement reached in The Hague today.

Vance said that he would be meeting in Belgrade with various officials with whom he would discuss possible solutions to the Yugoslav crisis.

TANJUG learns that Vance will tomorrow meet with Yugoslav Federal Prime Minister Ante Markovic, president of the Yugoslav Republic of Serbia Slobodan Milosevic, Federal Foreign Minister Budimir Loncar and Federal Defence Minister Gen. Veljko Kadijevic.

This is Vance's second visit to Yugoslavia in the past month. His first visit furnished the material for UN Secretary General Javier Perez de Cuellar's report on Yugoslavia, which has been submitted to the UN Security Council.

Vance was expected to arrived accompanied by Lord Carrington, the chairman of The Hague conference on Yugoslavia, but the latter failed to arrive.

TANJUG learned from unofficial sources in The Hague today that Lord Carrington changed his mind at the last moment, when it had become clear that today's plenary session of The Hague conference could not make the minimum headway.

Vance's current visit to Belgrade gains in importance precisely in view of the failure of today's session of the conference. Everything points to the conclusion that the Yugoslav crisis will finally find itself the subject of discussion in the United Nations, specifically in the Security Council.

Carrington Expresses Hope

LD0511232591 Belgrade TANJUG in English 2023 GMT 5 Nov 91

[Text] The Hague, November 5 (TANJUG)—Chairman of the conference on Yugoslavia Lord Carrington said today he did not rule out a possibility of agreement being reached before the EC ministerial meeting on Friday [8 November] in Rome, on a future state rearrangement of Yugoslavia, on which the participants of The Hague conference failed to reach agreement in today's plenary session.

The conference is proceeding with increasing difficulty and less convincingly "while the violence continues at current levels" in the clashes in Yugoslavia, pointed out Lord Carrington. He announced that the truce agreed by

the Yugoslav People's Army [YPA] and Croatia in The Hague today must be fully implemented.

If this did not happen, Carrington said he would inform the EC ministers who was responsible for that, "and the ministers will act accordingly in keeping with this." "In this case I shall have to recommend to the EC ministers a suspension of the conference."

The truce implies the lifting of blockades on YPA barracks in Croatia and their regular supply, which would enable the YPA to gradually withdraw from Croatia, said Carrington.

In this context, he mentioned that he met today with Croatian President Franjo Tudjman, Croatian Defence Minister Gojko Susak, Croatian General Anton Tus, and Federal Defence Secretary General Veljko Kadijevic.

Debate on a political solution was not conluded at today's plenary session of the conference on Yugoslavia, explained Carrington. "An amendment submitted by myself was not accepted by all delegations, and so was not another submitted by Montenegro and Serbia," he said. There was as yet no common attitude on Chapter I—general principles of the document on a settlement of the Yugoslav crisis. "I do not rule out a possibility of agreement being reached. I shall inform about this the EC ministers on Friday in Rome," emphasized Carrington.

Sources in the conference claim that Carrington's amendment to Chapter I of the proposed treaty provisions for the convention closely resemble thd one submitted by Serbia and Montenegro. It allows for a possibility of future relations in Yugoslavia being settled by making the republics independent or by creating a loose association of them. However, Serbia and Montenegro have asked to include a possibility for the republics and peoples wishing to do so, to remain in a common state as the continuity of Yugoslavia.

Carrington emphasized his belief that agreement could nevertheless be reached by Friday, "when all have thought it over." "I believe that nobody who was at today's session—and I talked with the presidents of all republics—want a break-up and that, on the contrary, all hold that a solution to the Yugoslav crisis can be brought about through the conference on Yugoslavia.... It is also true that at the moment there is not so much wish for a compromise as I would want it to be."

Lord Carrington did not wish to talk of the sanctions against Yugoslavia if agreement on the political document did not materialize by Friday. In that case, he pointed out that he would demand political sanctions against those who did not honour the cease-fire.

The apparent highlighting of the demand to stop the war and violence in Yugoslavia is being assessed in diplomatic circles as reflecting the assessments by the EC and the Presidency of the conference that the insistence on a predominantly political agreement has become less important than an end of the war.

The most important requirement for the success of the conference is considered to be the determination and even "punishment" of those who threaten its successful course by inciting to violence in order to exact a favourable solution for themselves. The European Community and the conference at first believed that there was no halting of the war without political arrangement. Now the majority of EC countries, including Greece, Spain, Portugal, France and some others, as well as Lord Carrington, have become satisfied that the armed clashes directly prevent a political solution.

Asked by a Belgrade TV correspondent, Carrington confirmed that today's plenary session of the conference reviewed the reports on armed actions by the Croatian forces and a massacre they carried out over Serbian civilians and the destruction and burning of 17 Serbian villages in Croatia. He said that the EC observers in Croatia had been asked to report on that and that Croatian President Franjo Tudjman had agreed to hold an investigation into it to determine the facts.

Loncar Meets With Vance

LD0611002891 Belgrade TANJUG in English 2213 GMT 5 Nov 91

[Text] Belgrade, Nov 5 (TANJUG)—The UN secretary general's special envoy to Yugoslavia, U.S. diplomat Cyrus Vance, this evening expressed a profound concern of the international community at the escalation of the Yugoslav crisis, says a statement released in Belgrade.

During an exhaustive two-hour exchange of views with Yugoslav Foreign Minister Budimir Loncar, Vance said that Yugoslavia was the worst crisis spot at the moment, the statement says.

Loncar and Vance paid special attention to prospects of a political solution to the crisis and the engagement of a UN team in the effort, the statement says.

This is Vance's second visit to Yugoslavia in his capacity as the UN secretary general's special envoy.

Minister Criticizes Suspension of EC Cooperation

LD0511185991 Belgrade TANJUG in English 1732 GMT 5 Nov 91

[Text] Belgrade, November 5 (TANJUG)—Assistant Yugoslav Foreign Trade Minister Boran Karadjole assessed that the suspension of the agreement on cooperation between Yugoslavia and the European Community (EC) is "pure fabrication, because it is not provided under any article of that agreement."

On behalf of the Federal Ministry for Foreign Trade Relations, Karadjole today reacted to reports that the list

of possible economic sanctions of the EC against Yugoslavia is headed by a suspension of the agreement on cooperation.

The explanation that circumstances have been radically altered as a grounds for suspending the agreement "can only mean that the EC is actually abolishing Yugoslavia by starting from the position that Yugoslavia does not exist," Karadjole said.

Karadjole assessed such a move by the EC as a "unilateral, arbitrary and discriminatory measure against a sovereign member of the General Agreement on Tariffs and Trade (GATT) and the international community." He added that "if such purely polutical decisions are adopted, then there is only power, and force, behind them."

Federal

Military To Implement EC Withdrawal Plan

LD0611002691 Belgrade TANJUG Domestic Service in Serbo-Croatian 2156 GMT 5 Nov 91

[Text] Zagreb, 5 Nov (TANJUG)—The information service of the 5th Military District this evening issued a statement according to which, in accordance with The Hague agreement on the withdrawal of Yugoslav People's Army [YPA] units from the blockaded garrisons and installations, on 6 November, at 0900 the withdrawal of blockaded units will begin, with all their movable property and weapons, from the Karlovac Garrison (the Logoriste and Mekusje barracks and Jamadol depot) and Delnice Garrison (the Velebit 1, 2 and 3 barracks and depot). The withdrawal of YPA units will take place in the presence of representatives of the EC observer mission and public and media representatives, the statement adds.

Republics Council Meets; Some Delegations Absent

LD0511132491 Belgrade TANJUG in English 1206 GMT 5 Nov 91

[Text] Belgrade, Nov 5 (TANJUG)—The Council of Republics and Provinces of the Assembly of Yugoslavia today, for the first time since World War II, decided to hold a session although the delegations of some federal units were not present.

The decision was taken unanimously by the present delegations at the proposal of the commission for legislation and law, which gave the legal interpretation that the council could work and take decisions although some delegations were absent.

The session is not attended by the delegations of the republics of Slovenia, Croatia and Macedonia, and the republic of Bosnia-Hercegovina and the province of Kosovo and Metohija are represented only by the delegates of Serbian nationality.

The Council of Republics and Provinces met today for the first time in four and a half months, since the republics of Slovenia and Croatia, which have proclaimed independence, have withdrawn their delegations.

The rump council of republics and provinces will discuss measures for the prevention of the disruptions of the country's monetary, foreign-currency and financial systems by unilateral acts on the part of Slovenia and Croatia, about which the delegates were informed by Federal Finance Secretary Slavoljub Stanic and National Bank of Yugoslavia Governor Dusan Vlatkovic.

Stanic said that the federal government had proposed to the Presidency of Yugoslavia the passage of a law on the sources of funds for the financing of the Yugoslav People's Army (JNA) through the end of the year. He specified that the Presidency had approved the text of the respective bill at its session last night and forwarded it to the federal legislature.

The Presidency of Yugoslavia, itself, is working without its sessions being attended by the representatives of the republics of Slovenia, Croatia, Macedonia, and Bosnia-Hercegovina.

Vlatkovic said that the federal central bank would soon propose to the Assembly of Yugoslavia a new projection of the monetary policy and a new decision on the foreign-currency policy through the end of the year.

Vlatkovic said that the above was necessary because Slovenia had withdrawn from the monetary system, the federal budget was financed entirely by means of primary issue, and open problems existed regarding foreign-currency deposits.

Federal Chamber Empowered With Majority Vote

LD0511152191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1406 GMT 5 Nov 91

[Excerpt] Belgrade, 5 Nov (TANJUG)—The SFRY Assembly Committee for Sociopolitical Relations decided today that the Federal Chamber will have the right to pass decisions even in the event that delegates who have been withdrawn by their republican assemblies are absent from the session. The Federal Chamber will pass decisions by a majority vote from the majority of delegates present taking part in the work of the Assembly. This decision was passed by the Federal Chamber committee in the hope that this formula would remove the obstacles to the working of the Federal parliament. The Federal Chamber's legislative and legal commission has been instructed to examine all aspects of the implementation of this decision and to clear up any potential dilemmas over quorums, justified absences, and similar technical matters. [passage omitted]

Conscripts, Reservists Require Travel Permits

LD0511210591 Belgrade TANJUG in English 1854 GMT 5 Nov 91

[Text] Belgrade, November 5 (TANJUG)—Dragoljub Kovacevic, who heads the Yugoslav Interior Ministry's Department for Immigrant and Passport Affairs, told TANJUG today that conscripts and reservists of the Yugoslav People's Army could travel abroad with special permits issued by the competent military and local territorial authorities.

Kovacevic said that the recruits who wanted to go abroad must, in addition to the required travel papers, submit a permit as envisaged under the law on army service.

He explained that the permit, issued by the competent military and local territorial authority, was to certify that there was no legal impediment to their foreign travel.

The permits for the concripts living abroad are renewed by the Yugoslav diplomatic missions and consulates in the country in question, Kovacevic said.

Reports of a ban on foreign travel for recruits and reservists was leaked to the press a few days ago, but this is the first official confirmation.

The press links the restrictions on foreign travels for conscripts and reservists to the Yugoslav Presidency's decision to proclaim a state of an immediate threat of war.

National Bank Assures Timely Repayment of Debts

LD0511231191 Belgrade TANJUG in English 2047 GMT 5 Nov 91

[Text] Belgrade, November 5 (TANJUG)—Governor of the National Bank of Yugoslavia (NBJ) said in the federal parliament today that the financial obligations of Yugoslavia guaranteed by the federation were being timely met.

Another 390 million dollars will have been set aside for this purpose by the end of the year, he added.

Speaking at a joint session of the parliamentary committees for the credit and monetary system and for foreign economic relations, Vlatkovic said that the servicing of the debt was exceptionally important "in order that these issues should not be dragged before The Hague conference."

The NBJ governor also stated that "no international laws permit the blocking of the NBJ accounts...nor is such a contingency expected."

Vlatkovic said that the Yugoslav central bank had apologized to China for the delay in the payment of Chinese oil. He explained that a part of the sum deposited with a Chinese bank and earmarked for the payment of Chinese oil deliveries had been unjustifiably delayed because the representative offices of the Yugoslav republics of Slovenia and Croatia in China had laid claim to part of the deposit. After five days of correspondence, the matter was cleared and obligations with China were met, said Vlatkovic.

He went on to say that the harmful effects of Slovenia's decision to introduce its own currency would be reduced to a minimum.

Slovenia's attempts to settle accounts and buy foreign currency by transferring dinars to other parts of the country have been thwarted, said Vlatkovic and added that every forgery of Yugoslav banknotes would be detected.

The session was also attended by Director General of the Internal Revenue Service (SDK) Marko Ceranic, who said that payment operations with the Republic of Slovenia had been suspended.

However, the state of affairs in money transactions between Slovenia and Croatia is not clear. It was also heard that the SDK had no control over cash payments and money transfers through postal savings, because they do not fall within its province.

Ministry Objects to Slovenian Airspace Control

LD0511131291 Belgrade TANJUG in English 1155 GMT 5 Nov 91

[Text] Belgrade, November 5 (TANJUG)—Yugoslav Transportation and Communications Ministry on Tuesday [5 November] sent a request to The Hague conference participants to condemn the unilateral decisions of the transporation and communications ministry of the Yugoslav Republic of Slovenia on taking over the air space of its territory, the technology and on suspension of Yugoslav flight control competences.

It requests that the conference participants call also on the CSCE members not to enter unilateral arrangements with the Republic of Slovenia in the area of flight control, by-passing the Yugoslav federal authorities.

The unilateral decisions of the Slovenian ministry, as set out, ran contrary to the Brioni declaration which Slovenia accepted on July 7 this year, as well as to the stands of the European Community that a uniform flight control must be secured in Yugoslavia.

The Yugoslav Transportation and Communications Ministry reminded the conference participants that the Slovenian ministry decisions were also contrary to the Yugoslav Constitution, which serves as the basis on which the federation organizes and ensures security of the entire air traffic.

The Republic of Slovenia, which is not a member of the United Nations and the International Civil Aviation

Organization (ICAO), was attempting, by linking with the Vienna flight control and Austria, to leave the Yugoslav flight control system, it is noted and demanded that such intentions be prevented, in keeping with the international regulations.

Slovene, Croat Delegations Hold Talks at Otocec

AU0611120591 Ljubljana Radio Slovenia Network in Slovene 0600 GMT 6 Nov 91

[Text] Representatives of the Slovene and Croatian Governments headed by Premiers Lojze Peterle and Dr. Franjo Greguric, met at Otocec on 5 November and discussed economic questions, payments between the republics, the question of borders, and Croat refugees.

The two sides denied the rumors that relations between the two republics have become so poor that economic cooperation is being harmed. They said that they have solved the payment problems and that they will soon prepare a meeting regarding the issue of borders. Regarding the Croatian refugees, the Slovene side pointed out that there are already 23,000 of them in our republic and that this is the upper limit of what Slovenia can take.

Slovenia

Kucan Comments on Hague Conference Session

AU0511202691 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 5 Nov 91

["Exclusive" statement by Milan Kucan, president of the Slovene Presidency, for Radio Ljubljana after the plenary session of the peace conference on Yugoslavia in The Hague on 5 November—recorded]

[Text] In the second part of the conference, the debate concentrated solely on the problem of the so-called Serbian amendment—that is on the point 1.1 C—which is the option that enables the republics that so wish, in accordance with the view of the organizer of the conference, to form a common state. The Serbian and Montenegrin amendment, put forward jointly by presidents Milosevic and Bulatovic, has changed this formulation, namely that this would be a joint state formed by republics and nations that so wish. This formulation is, of course, again introducing confusion into Yugoslav affairs. A logical consequence of this was the amendment (?0.G) that envisages that this new common state to be formed by republics and nations that so wish would automatically inherit the state and legal continuity of the former SFRY. This is of course unacceptable for us, because it actually means that Serbia does not accept the point of departure of this entire proposal, that is, point 1.1 A that states that subjects in the process of resolving the Yugoslav crisis and of this general agreement are the Yugoslav republics that are constituent elements of the former Yugoslavia. The republics are taking over the responsibility for resolving the crisis and they are the only ones who can decide their future position and possible mutual relations, as envisaged by the aforementioned point 1.1 of the general agreement. Let me repeat, there are three options envisaged: The option to form a free alliance of the sovereign and autonomous republics, the option to form a common state, or the option to recognize full autonomy and sovereignty, which is, as it is well known, a Slovene decision that we have already adopted and that we are now implementing.

Foreign Minister Rupel Views Hague Conference

LD0611045791 Belgrade TANJUG in English 0229 GMT 6 Nov 91

[Text] Ljubljana, Nov 5 (TANJUG)—The foreign minister of the Yugoslav Republic of Slovenia, Dimitrij Rupel, said here on Tuesday [5 November] that today's session of the conference on Yugoslavia in The Hague was a "struggle for the succession of Yugoslavia."

Rupel told a news conference that the struggle began when President of the Yugoslav Republic of Serbia Slobodan Milosevic tried to change the formulation in The Hague document relating to a common state of equal republics to read "a united state—Yugoslavia."

President of the Yugoslav Republic of Macedonia Kiro Gligorov agreed to this stand of Milosevic, said Rupel.

"It seemed as if the participants wanted to talk of how Yugoslavia would survive, in which Slovenia does not wish to participate," he said.

The Slovenian foreign minister described the discussion between the representatives of the Republics of Serbia and Croatia at today's meeting as one "on a relatively low level" since, he argued, it was mainly concerned with who killed more of whose people during World War Two.

In Rupel's view, Europe is not prepared to count the bones from World War Two, and conference Chairman Lord Carrington therefore interrupted the debate.

Rupel expects that Europe will now begin to draw fast and more decisive moves on the imposition of sanctions against "uncooperative republics," which, he said, "do not include Slovenia."

Rupel said that The Hague conference on Yugoslavia must be concluded by the end of the year.

Croatia

Krajina Denies Pressure To Accept EC Agreement

LD0511210391 Belgrade TANJUG in English 1914 GMT 5 Nov 91

[Text] Knin, Yugoslavia, November 5 (TANJUG)—Milan Martic, the interior minister of the self-proclaimed Serbian Autonomous Region of Krajina in the Republic of Croatia, today firmly denied a statement

made recently by Premier Milan Babic to the effect that "the highest authorities of the Republic of Serbia have brought pressure to bear on Krajina's leadership to accept The Hague agreement."

A written statement by Martic, which he [word indistinct] based on his "personal presence at the Krajina leadership's talks with the Serbian leadership regarding The Hague conference," was presented to a press conference in Knin today.

The presidents of Krajina's communes of Benkovac, Obqovac, Donji Lapac and Korenica also held a press conference today, at which they accused Babic of usurping power.

"With their personal rule, Milan Babic and those arround him are usurping all elements of political, administrative and judicial power...and threatening to turn Krajina into a despotic state ruled by an individual and his cliques," says the statement distributed to the reporters at today's news conference.

The statement also condemns the "political trading in Serbian sentiments for personal gain," and lends unreserved support to Serbian President Slobodan Milosevic as "the only internationally recognized representative of the Serbian people."

Deputy Defense Minister Denies Sid Shelling

LD0511203791 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 5 Nov 91

[Text] Croatian Deputy Defense Minister Milan Milas has resolutely refuted news reports published by Belgrade information media and by TANJUG today and the statement made by the Serbian defense minister in the Serbian National Assembly that Croatian forces today allegedly shelled Sid.

The fact is that the Croatian Army does not have the weapons with which to shell Sid, Milan Milas told the Croatian news agency, HINA, tonight. It has never undertaken an action of this kind, even against enemy units that directly pound civilian installations and inhabitants, as well as its defense positions in Croatia, from Serbian territory and from other republics.

Croatia has been attacked. We are conducting an exclusively defensive war. Croatia respects the republican borders. The latest lie, that Sid was shelled, was obviously disseminated in order to alarm the Serbian public, so as to suppress Army desertions and to ready the public for mobilization in the dirty war against Croatia.

It is also likely that the story is being used to discredit Croatian readiness to accept a peaceful solution before the international public—and this on a day when The Hague conference is taking place.

The latest attempt by the Serbian war propaganda to deceive the domestic and international public can hardly convince anyone, especially since everyone—both domestic and international—is in a position to be convinced of the extent to which the lies and the misinformation disseminated by the same sources about Vukovar, Dubrovnik, the shelling of Banski Dvori, and many other instances test one's ability to believe.

Official Details Massacres by 'Chetniks'

LD0511150291 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 5 Nov 91

[Text] Ivan Volf, the Croatian Government envoy for Grubisno Polje municipality, reports that in (?Treglava), not far from Ivanovo Selo, two people were found massacred this morning in a cellar. They had been killed by the Chetniks as the latter withdrew. In Turcevic Polje the Chetniks shot four civilians who were forced to bury the Chetniks' dead. They tried to kill them, but two civilians with serious shotgun wounds lay unconcious for nearly three days in a cornfield. They are now at Bjelovar medical center and doctors fear for their lives. In Topolovica, the withdrawing Chetniks massacred three people; five were massacred in both Peratovica and Mali Grdjevac.

According to Ivan Volf, it is more secure in the municipality following the enemy's rout—the only danger is from artillery attacks. According to witnesses, as they withdrew the chetniks forced two Serbians who lived there to leave the area with them, while those who opposed them were subjected to physical abuse.

'Fierce Offensive' Reported in Daruvar Area

LD0511172491 Belgrade TANJUG in English 1616 GMT 5 Nov 91

[Text] Banja Luka, November 5 (TANJUG)—Strong Croatian armed formations have launched a fierce offensive on the positions of Serbian Territorial Defence units in Western Slavonia.

Croatian forces have opened heavy artillery fire in the area of Daruvar, and on the villages of Batinjani, Bastaji and Mikovichevo, which are defended by Serbs, TANJUG learns from sources close to Serbian Territorial Defence units.

There have been no reports of casualties among Serbian units, who are outnumbered and outgunned by Croatian forces, TANJUG learns.

The command of the Banja Luka Army Corps says that fierce fighting has continued in the areas of Novska and Nova Gradiska. It says that Croatian forces are shelling units of the Yugoslav People's Army [YPA] and the Serbian Territorial Defence, which are replying with strong fire.

The Banja Luka Corps information service confirmed that members of the Territorial Defence from Western Slavonia who were escorting their fleeing families had to surrender their weapons to YPA units.

Around 20,000 Serbs left 27 villages in Western Slavonia and fled to Bosnia-Hercegovina. They were escorted by Territorial Defence units in the villages.

The Banja Luka Corps said that the weapons would be returned to the members of the Territorial Defence on their return to the front.

Army Transfers All Facilities of Delnice Garrison

LD0511202891 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 5 Nov 91

[Text] All facilities in the Delnice Garrison [near the Slovene border] were today transferred into the hands of the Croatian Army. Lieutenant Colonel Ljubomir Buljin, garrison commander, and his officers and men surrendered to National Guard Corps members. They have been guaranteed their departure by bus.

The garrison is composed of the barracks and three stores containing large quantities of weapons, munitions, and equipment. During the takeover of one of the stores, a clash occurred during which about 10 Yugoslav People's Army men and one Croatian guardsman were wounded. No one was killed, nor was anyone in Delnice wounded from the grenades fired from the military installation in the direction of an apartment block.

Because of the general danger, the inhabitants of Delnice have been in their shelters since this morning. Traffic on this section of the Zagreb to Rijeka road, which had been interrupted, has been resumed.

The news reached Delnice to say that General Marijan Cad, commander of the Rijeka Corps, under whose command the garrison in Delnice is, issued an ultimatum threatening that he will shell Delnice unless all the taken installations are restored to the army by 1600 today.

Due to these events, the crisis headquarters in Rijeka today issued an order to reintroduce blackout measures in Rijeka and the surrounding district.

Party of Rights Chairman Details Goals

AU0511203491 Vienna ORF Television Network in German 2007 GMT 5 Nov 91

[Interview with Dobroslav Paraga, chairman of the Croatian Party of Rights, by Friedrich Orter in Zagreb; date not given—recorded Paraga statements in Serbo-Croatian with superimposed German translation]

[Text] [Paraga] We want to unite all Croatian territories, following the example of Germany, which united its eastern and western parts. We want to get away from Yugoslavia at any cost. We want to eradicate Yugoslavia by pushing Serbia back inside its borders. In my view, this war is a good opportunity to come to a final solution on the Greater Serbian hegemony in this area.

[Orter] Who finances you?

[Paraga] All those who are interested in not having Yugoslavia anymore.

Serbia

President Rejects EC 'Ultimatum' in The Hague

LD0511184491 Belgrade TANJUG in English 1639 GMT 5 Nov 91

[Text] The Hague, November 5 (TANJUG)—President of the Yugoslav Republic of Serbia Slobodan Milosevic rejected the EC ultimatum at today's plenary session of the conference on Yugoslavia in The Hague, saying that the "ultimatum and the threats contained in the Economic Community's declaration of October 28 have been met with great indignation by all political institutions, including parliament of the Republic of Serbia, citizens of Serbia and the Serbian people throughout the country."

"We reject this ultimatum as an act of pressure and violence, incompatible with the democratic order intended to be built in Europe and as an act grossly violating the equality of the sides participating in the work of the conference," added Milosevic.

He pointed out that "by including the option on the common state into the document, the conference would, in fact, reaffirm its starting position on the equal validity and treatment of all options."

Milosevic expressed the view that the acceptance of the proposal he submitted to the conference jointly with Montenegrin President Momir Bulatovic, should constitute no problem.

"As concerns the settlement of the status and rights of the Serbian people in Croatia, which is at the core of the Yugoslav crisis and tragic war in Croatia, I wonder," President Milosevic said, "Whether somebody can indeed believe, even today, after tragic events of the past few days and the destruction of scores of Serbian villages and resettlement of Serbs in Western Slavonia, that the Serbs in the Krajinas can be kept under the sovereignty and guarantees of the Croatian authorities."

Milosevic noted that it was "irresponsible and superfluous to proceed from nonexistence of Yugoslavia as a state" and that the "Yugoslav peoples should decide on their own future."

Comments on Peace Conference

AU0511201491 Belgrade Radio Belgrade Network in Serbo-Croatian 1550 GMT 5 Nov 91

[Report by Milorad Denda from The Hague]

[Excerpt] [passage omitted] Slobodan Milosevic had a short meeting with journalists. I must say, there is always great interest whenever President Milosevic appears. He was surrounded by a large group of journalists and answered their questions. I propose that we now hear a

recording of this meeting, especially as he first of all spoke about the reasons why today's meeting lasted so briefly, only one hour. I propose that we listen to the recording:

[Milosevic] The reason is above all that hostilities have not stopped and the conference advocates, at least there was a verbal agreement among all participants, that hostilities stop. As you know, we have a very bad experience with that, especially because the Croatian forces have not respected one truce so far. However, we expect that at least under the European pressure they will respect it this time. If they do not, we certainly cannot move away from the stage we have reached so far.

Secondly, today we considered the document that has to be worked on further only in principle. I think that the proposals we have put forward at the conference—when I say we, I mean Montenegro and Serbia—are logical and just, namely, the only thing we have demanded is respect for those principles with which the conference actually began, and that is the equal treatment of all the options. We propose, therefore, that the option of a common state of equal republics and peoples carries as much weight as other options in the general approach to the solution of the Yugoslav crisis, and that is all.

There are no ulterior motives to this. It is simply logical to expect that all options will be treated equally for those who wish so, including the option of Yugoslavia as a common state of equal republics and nations for those who want it. This proposal has not been accepted, neither was Carrington's proposal with a similar orientation. That I have to say in Lord Carrington's favor. I believe that this proposal, since it is founded on very strong arguments, has a lot of chances for further consideration at the conference, and perhaps with certain modifications, which could bring certain clarifications, it will be accepted. We will see about that. I would not want to make any predictions now.

[Unidentified reporter] Lord Carrington has given a two-day deadline. On Friday [8 November], the ministers of the European Community are meeting to decide what will happen next, actually, there was an indication of implementation of economic sanctions against those who do not respect the agreement. In this regard, it is mainly Serbia that is being mentioned.

[Milosevic] This deadline refers mainly to fulfilling the obligations regarding the cease-fire. As you know, the fulfillment of such obligations refers mostly to the Croatian forces that have to make it possible for the Yugoslav Army garrisons to leave the blockaded areas. As regards noncooperation, I would say that the Serbian delegation in the working groups and the delegation at the plenary sessions have shown the highest degree of cooperation. If, however, noncooperation means putting forward one's own viewpoints and the adopted political positions, then I think that this represents a deviation from the very spirit of the conference, which at the very beginning pledged to consider the viewpoints and the interests equally, and stood for the protection and equality of these interests. On this basis alone can the conference successfully complete its work.

[Unidentified reporter] Mr. Milosevic, do you think that after the meeting in Rome the negotiations, to be exact, the conference on Yugoslavia will resume?

[Milosevic] I hope that the negotiations will resume and I hope that after the conference in Rome some matters will be clearer.

[Unidentified reporter] Have Mr. Carrington and the European Community been informed about what has happened lately to the Serbian people, to the Serbian villages?

[Milosevic] We did this at the beginning of the talks that we had today with the president of the conference, Lord Carrington, before the start of the plenary session.

Political Parties View Milosevic's Rejection

LD0611052191 Belgrade TANJUG in English 0032 GMT 6 Nov 91

[Text] Belgrade, Nov 5 (TANJUG)—Parties in Serbia today expressed differing opinions on president of the biggest Yugoslav Republic Slobodan Milosevic's nonacceptance of the latest version of the European Community (E.C.) document on the settlement of the crisis in Yugoslavia.

Milosevic's insistence that the possibility of the existence of a "common state of equal republics and peoples who wish to remain in Yugoslavia" be included in The Hague document was supported by the ruling Socialist Party of Serbia (SPS) and criticized by the strongest opposition parties—the Serbian Renewal Movement (SRM) and the Democratic Party.

SPS Vice-President Mihailo Markovic in a statement to TANJUG described the amendment to The Hague document as an act "founded on the basic principles of the United Nations, the Conference on Security and Cooperation in Europe and the European Community itself and as a "necessary pre-condition for a peaceful democratic settlement of the conflicts in Croatia."

He assessed the amendment as the defence of "the right of the existing, internationally recognized state of Yugoslavia, member and founder of the United Nations, to continue existing with those peoples and republics who wish to remain a part of it."

"The denial of this right," Markovic said, was "violation of the basic principles of the international legal order."

SRM President Vuk Draskovic did not approve Milosevic's stand.

"This was the eleventh hour for ending the war," Draskovic said in a public statement this evening and

expressed fears that it now would only escalate and that "scores, maybe even hundreds of thousands more will die in vain."

"After that horror, we will again have to negotiate, but I am afraid that we will then get less than what we could have today by signing The Hague document," Draskovic said.

The Democratic Party, on the contrary, considers that "even had it been accepted, The Hague arrangement would not have led to an end of the war and the establishing of a stable political order in this part of the Balkans."

As president of the Democratic Party Executive Committee Zoran Djindjic told TANJUG, the Democrats are in favour of a "politically reasonable modus of demarkation between the Serbs and the Croats" who, as he said, "obviously no longer can nor wish to live together."

The Democrats consider that the Serbian political leadership is, in engaging in the "construction of a new Yugoslavia," behaving as "a man whose house is burning and, instead of saving the members of the household, he is making plans for the reconstruction of the house."

According to Djindjic, a new, radically different definition of the situation is necessary, one that is free of "ideological megalomania and rump Yugoslavianism."

It is a big question whether Milosevic is at all able to offer such a concept, Djindjic said.

Vice Prime Minister Prohaska Resigns

LD0611001891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1219 GMT 5 Nov 91

[Excerpts] Belgrade, 5 Nov (TANJUG)—The Serbian National Assembly today noted that Slobodan Prohaska, Serbian vice prime minister and minister for economic relations with foreign countries, had resigned.

Slobodan Prohaska did not explain his resignation to the parliament because he did not attend part of the session. Vukasin Jokanovic, who was chairing the session today, said Prohaska insisted that his resignation should be put on the agenda under the emergency procedure.

Invited to do so by the chairman of the session today, a representative of the republican government did not wish to explain the reason for Slobodan Prohaska's resignation, but deputies expressed their views on his action. One deputy, Dragan Vidakovic said that it was right for the assembly to replace Prohaska if the news is correct that he is leaving his senior and responsible office because he has opened a private firm in Cyprus. [passage omitted]

Slobodan Prohaska will remain government vice president until a new government member has been elected.

Armed Forces' Formation Commission Session Held

LD0511203991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1755 GMT 5 Nov 91

[Text] Belgrade, 5 Nov (TANJUG)—In Belgrade today Dr. Budimir Kosutic, Serbian vice prime minister, chaired the first enlarged session of the commission responsible for formulating the draft law on the Serbian Armed Forces, the Serbian Defense Ministry reported.

The commission consists of 11 eminent legal and military experts and representatives of the government and of the assembly of the Republic of Serbia. Some current issues related to the formation of the Serbian Armed Forces were discussed. It was agreed that work on drafting and passing this law would be speeded up as much as possible, says the ministry's statement.

Deputy Prime Minister Gives Sid News Conference

AU0511212291 Belgrade RTV Sat TV in Serbo-Croatian 1830 GMT 5 Nov 91

[Excerpt from an appeal by Serbian Vice Prime Minister Budimir Kosutic made at a news conference in Sid on 5 November—recorded]

[Text] I am deeply convinced that everything that is going on at the moment will in time make everybody realize that the danger is great and that regardless of what Serbia might do— acknowledge these administrative borders as state borders or not—a battle will be fought against them until they are finally defeated. In other words, it seems to me, that unfortunately there is no other option left for Serbs at the moment but to gather, unite, and make maximum efforts to protect themselves. It is evident, that we must seek those means that will make it possible to provide adequate protection for the Serbian nation.

It is also known what Patriarch Pavle said when he stated that we must provide protection for the Serbian nation, which is endangered, but nobody should cease being human in doing so. This is a fact and it goes without saying that we must follow this. But it is also certain that one can remain human and achieve protection for one's nation. It has become apparent that we must re-examine the actions we have undertaken in this sense, and we must conclude that we have not undertaken enough measures, simply because our people have been asking themselves what the objective is, what it is that we want to achieve, how to achieve it and in what manner?

Simply, the people must be told the truth. The Serbian nation is endangered not only on the territory outside the Republic of Serbia, the Serbian nation is also endangered inside the Republic of Serbia, and if this nation is not willing enough to defend itself then this nation will we endangered in every part of the Republic of Serbia. Therefore, division on matters like the survival of the Serbian nation must cease.

Calls For Republican Army

LD0511235591 Belgrade TANJUG in English 2148 GMT 5 Nov 91

[Text] Sid, Yugoslavia, Nov 5 (TANJUG)—Vice Premier of the Yugoslav Republic of Serbia Budimir Kosutic today heralded changes in this biggest Yugoslav republic's attitude to defence.

Speaking in Sid, the Serb-populated town on the border with the Republic of Croatia which was today the target of an artillery shelling by Croatian paramilitary formations, Kosutic urged the creation of an armed force of the Republic of Serbia.

He said that Serbia was the only one of the Yugoslav republics to remain faithful to the concept of defence as set out in the Federal Constitution and acknowledge the Federal State Presidency as the supreme commander of the Armed Forces.

For this reason, the republican government has no say in the matters concerning the Army and territorial defence, Kosutic explained.

He accused the Federal Defence Ministry of having taken the wrong decisions in most cases in the past months.

He urged a speedy creation of a Serbian "state council" which should, in his view, comprise the "wise men of Serbia", and a reshuffle of the republican government and the creation of such a government as "would enjoy the confidence of all the citizens."

"These are the hardest times in the history of the Serbian nation and we must therefore all stand together," said Serbia's Vice Premier Kosutic.

He accused Croatian paramilitary formations of having shelled sid in order to divert attention from the developments in Western Slavonia, where Serbian villages are being burned down and the Serbian people driven out of their homeland.

Recruits in Senta Protest Mobilization

LD0511215291 Belgrade TANJUG Domestic Service in Serbo-Croatian 2017 GMT 5 Nov 91

[Text] Senta, 5 Nov (TANJUG)—The protest by reservists and citizens which began in Senta this morning is still on tonight. Over 1,000 citizens are outside the municipal assembly building tonight protesting against the mobilization of Territorial Defense units.

Those taking part in the protest meeting were addressed this afternoon by Nenad Canak, chairman of the League of Social-Democrats in Vojvodina and Yugoslavia [Liga Socijal-Demokrata Vojvodine- Jugoslavije].

Following the failure of the mobilization of Territorial Defense units—it is claimed that only about 20 percent have responded—the reservists who responded to the mobilization call started to protest this morning as well and were joined by the inhabitants of Senta.

Municipal leaders are having talks in Novi Sad. Those taking part in the protest do not want to disperse until they have returned from Novi Sad and an agreement has been reached with the representatives of higher army commands.

A call to end the mobilization has been made during the meeting in Senta because there is no desire to go to the battlefronts in Croatia. Protest participants are intermittently shouting antiwar slogans and peace messages.

Vojvodina Defense Commander Replies to Protest

LD0511215591 Belgrade TANJUG Domestic Service in Serbo-Croatian 2018 GMT 5 Nov 91

[Text] Novi Sad, 5 Nov (TANJUG)—Noncompliance by Territorial Defense members in Senta with the implementation of the mobilization call plays into the hands of those whose interests differ from the objectives of an overwhelming majority of citizens and patriots of Yugoslavia. Everyone must be aware that whoever wants to live in Yugoslavia together with the peoples who opt to do so must fight together with us so as to prevent genocide of any nation and a civil war of wider proportions.

This has been stressed, among other things, in the statement issued today by Major General Nikola Mandaric, commander of Vojvodina Territorial Defense provincial headquarters.

Reporters Requested To Visit Slavonian Villages

LD0511172991 Belgrade TANJUG in English 1536 GMT 5 Nov 91

[Text] Belgrade, November 5 (TANJUG)—President of the Association of Reporters of Serbia, Slobodan Lazarevic, has sent a telegram to the European Community (EC) monitor mission, asking for its protection for foreign and Yugoslav reporters to visit Serbian villages in Western Slavonia in which Croatian armed formations committed unprecedented crimes over the unprotected Serbian population, said a statement by the association which was sent to TANJUG today.

We ask you to contribute with your activities to let the world learn the truth about the establishment of concentration camps for Serbs in Croatia, like the notorious camps of the time of the Nazi occupation of Yugoslavia, the statement underscored.

'Democratic Forum' on 'Crime Against Mankind'

LD0511173391 Belgrade TANJUG in English 1612 GMT 5 Nov 91

[Text] Zagreb, Nov 5 (TANJUG)—The Serbian Democratic Forum in Zagreb today issued a warning "regarding the expulsion of Serbs from a part of Western

Slavonia." It said that forcing people out of their homes "is a crime against mankind under the international law of war."

The Serbian Democratic Forum today released a statement saying that Croatian armed formations have forced nearly 20,000 people out of their villages during their mopping up operations, mainly the old people, women and children who are incapable of fighting and who have taken no part whatsoever in the war.

The forum accused the Croatian authorities of settling the Serbian question by "prompting Croatia to get rid of Serbs."

The fact that the "mopping up operations" include the burning down of villages and killing people corroborates this conclusion, the statement said.

The exodus of Serbs from 27 Western Slavonian villages was preceded by the ultimatum the Croatian civil and military authorities set the Serbs to leave their homes within the next 48 hours.

LDK's Kolaj Comments on Violence in Kosovo

AU0511085391 Pristina BUJKU in Albanian 26 Oct 91 p 3

[Report by Behxhet Haliti: "Forming a Government—A Big Step for the Albanians"]

[Text] Unfortunately, we must start this news conference again by saying that this week has seen continued violence and repression in Kosovo, the dismissal of Albanians from their jobs, the beating of innocent Albanian citizens, raids on houses on the pretext of searching for weapons, and the arrest and imprisonment of activists of the Kosovo Democratic Alliance [LDK] and other Albanian political parties.

Thus Anton Kolaj, LDK deputy chairman, started yesterday's regular LDK news conference. Talking about the violence and terror of the Serbian police state, he said that another striking feature of this state's work in recent days has been the plundering of Albanian woodcutters, who have been sentenced to fines of 10,000 dinars each, and whose wood has been confiscated and given to Serbs and Montenegrins.

The journeys of Albanians through Serbia, Anton Kolaj continued, resemble journeys through the old Wild West. Hardly a single bus from Kosovo can pass through Serbia without being stopped and innocent Albanian passengers being maltreated.

The Government Will Enable Work To Be Coordinated

Talking at the news conference about education and the question of Albanian schools, Kolaj said that, as hitherto, Serbia has been preventing Albanian teachers, students, and pupils from starting the new school year with primitive obstinacy and the use of the police. We in the LDK also support the proposal to postpone the school year for a time, to safeguard the health and physical safety of pupils, teachers, and others. The LDK will present the closure of schools as a flagrant violation of the elementary rights of our national existence. Regarding the campaign to open schools, the LDK deputy chairman said that the LDK will support every decision and act of the Republic of Kosovo's Education Ministry and of other associations involved in the school question. Kolaj said that we welcome the resolution recently urgently approved by the Conference of Professional Educational Organizations held in Geneva.

After Kosovo's declaration as a sovereign and independent state, as announced by the Kosovo Republican Assembly on the basis of the results of the all-people's referendum, a provisional coalition government has also been formed. The formation of the government of the Republic of Kosovo, Kolaj said, is an important step in our constitutional and political life. The formation of the government was preceded by an understanding and agreement among the Albanian political parties in Kosovo. The work of the coalition government will further stimulate our commitment, and the government will maintain contacts at various levels with other governments. Our government will also represent an opportunity to coordinate our work better in Kosovo. We believe, Kolaj said, that its chairman, Dr. Bujar Bukoshi, in spite of the objective difficulties he will face, will have the intellectual and political strength to select a representative cabinet which will be able to tackle every issue and problem. For our part, we will give this government undisputed moral, political, and practical support.

Albania's Support—A Wise Political and Diplomatic Step

On the subject of Kosovo's declaration as a sovereign and independent state and the formation of the provisional coalition government, Anton Kolaj went on to welcome the decision of the People's Assembly of the Republic of Albania to officially recognize the Republic of Kosovo as a sovereign and independent state. He also welcomed the Albanian People's Assembly's recognition of the provisional coalition government of the Republic of Kosovo.

The decision of the Albanian People's Assembly, Kolaj said, is a natural one, the logical consequence of the expression of the political will of the Albanians in Kosovo through the referendum, a result of the global changes taking place in the Balkans, and a wise political and diplomatic step at a time when all options are in play.

Albania, he said, has taken a highly important step for its brothers in Kosovo, who are today striving by democratic means to achieve equality with others. The LDK, Kolaj said, welcomes this measured step, which is of great importance for us and Albanian politics in general. As for the concern of the Federal Secretariat for Foreign Affairs about the violation of the sovereignty and integrity of what purports to be the SFRY, we can only ask

what SFRY the Secretariat for Foreign Affairs is talking about?! The gentlemen in the Secretariat should realize that Yugoslavia no longer exists.

We wish to remind the generals once again that Kosovo does not wish to remain in some kind of mini-Yugoslavia, and that the mobilization announced by Kadijevic is unacceptable and has nothing to do with the Albanians, Kolaj said, going on to report that parades of military force have been observed recently in Kosovo, and that, according to reports from the field, the Serbs and Montenegrins are being equipped with additional weapons.

The recent concentration of military forces in the Sandzak seems to augur war. I think that armies and tanks cannot stop the Muslims of the Sandzak from expressing their political will. On this occasion, we, the LDK, welcome the organization of the referendum to be held in the Sandzak, Kolaj said, concluding his comments on the current situation. He went on to inform the journalists present at the news conference that he had just received the report that Numan Balic, chairman of the Party of Democratic Action in Kosovo, and two members of the presidium of this political party of the Muslims, were imprisoned in Mitrovica the evening before last [24 October].

Serbia, Not The Hague, Destroyed Yugoslavia

TANJUG's reporter, present at this news conference, asked whether the names of the other members of the provisional coalition government of the Republic of Kosovo are known, and Kolaj replied that they no doubt are known, but this question must be put to the Kosovo Republican Assembly or the premier.

OSLOBODJENJE's journalist asked, "How can you possibly support the documents of The Hague, which state that national minorities, i.e. including the Albanians, will remain within present borders? Does Kosovo's remaining within Serbia conflict with your statements?" Anton Kolaj replied that we support in principle the method of solving problems through dialogue, and Dr. Ibrahim Rugova has presented at The Hague the standpoints of the Albanian political parties on solving the problems. As far as I know, Kolaj said, the Albanians are nowhere mentioned as a national minority in the documents of The Hague.

Croatian Television's correspondent asked whether the documents of The Hague are in accordance with the stands of the Albanian political parties, when it is well known that they provide for the autonomy of those regions that possessed autonomy before 1990, or in other words envisage a return to the 1974 Constitution. Anton Kolaj said that the stands of the Albanian political parties are well known and were presented by Dr. Rugova at The Hague, and that nothing below the minimum of these demands can be accepted.

The Croatian News Agency HINA's reporter asked for Kolaj's comment on the Soviet Union's attitude toward the documents of The Hague, especially the statement of the Soviet Government's representative that the expression "national minority" is obsolete, and the peoples living in specific territories must decide their destiny. Kolaj said that this is a positive development on the part of the Soviet Union, especially after the CSCE meeting on the status of national minorities, and that it is a very significant indication of the entry of Soviet policy into the mainstream of modern European politics.

JEDINSTVO's reporter asked, "You said that Kosovo does not wish to remain in any mini-Yugoslavia. Apart from announcing this as a political stand, how will you achieve this?" Anton Kolaj replied that we are striving to slowly realize all our political stands, step by step.

HINA's reporter asked what the LDK deputy chairman thought about the statement on the Montenegrin prime minister, who said that Yugoslavia was destroyed by those who do not know where The Hague is. Anton Kolaj said that the aim of The Hague was not to destroy Yugoslavia but to save the Yugoslav peoples, who cannot live in positions of inferiority in relation to others. Those who accuse The Hague of destroying Yugoslavia forget that it was precisely Serbia's expansionist and chauvinist policies that led to the outbreak of catastrophic conflicts. We understand The Hague in an opposite sense, as the EEC's effort to stop bloodshed and to grasp the reality that all the peoples in Yugoslavia want to live in equality and to have the right to express their own political will.

Anton Kolaj also replied to two or three other questions from reporters at yesterday's news conference.

A Fruitful Political Week for the Albanians

This week was a very fruitful one for the Albanians' political life. Dr. Ibrahim Rugova's meetings at The Hague; the visit, according to an agreement, of the Republic of Kosovo's Constitutional Commission to The Hague; the reported visit to The Hague of the delegation of the Pristina Council for the Defense of Human Rights and Freedoms; and the preparations for a visit to The Hague by a delegation of the Kosovo Republican Assembly show that the cause of Kosovo has now been affirmed to an enviable extent in the international arena. Similarly, Dr. Bujar Bukoshi's visit to the German Foreign Ministry testifies to our commitment and presence at the table of European diplomacy. In particular, Dr. Ibrahim Rugova's visit to the United States and his meetings and discussions there with congressmen, senators, and other personalities in U.S. political life were very successful and promise that there will be no lack of U.S. support for a democratic solution of the question of Kosovo and the Albanians in Yugoslavia, LDK Deputy Chairman Anton Kolaj said at yesterday's news conference.

Serbia and the Ostrich!

In reply to a question from Radio Sarajevo's correspondent about what he thought about what is left of the

Yugoslav Presidency, Anton Kolaj said that the standpoint of the Serbian bloc on the SFRY Presidency shows that Serbia is not ready to solve problems through dialogue, while its behavior resembles that of an ostrich, which sticks its head in the sand when faced with danger so it will not see what is happening around it!

Kosovo Journalists Imprisoned, 'Persecuted'

AU0511190091 Pristina BUJKU in Albanian 1 Nov 91 p 4

[Article by Hamide Latifi: "Who's Next?"]

[Text] It is almost impossible to find a day on which our neighbors, the "inspectors" of the Serbian Secretariat for Internal Affairs, do not pay a call on the editorial boards of Albanian magazines in the Press Center.

These visits normally end with the seizure of a pile of material and the occasional journalist. According to luck, the journalist may be released after an "informative discussion," may be maltreated and then released, or may be sentenced to 30 days' imprisonment by a "summary procedure" and sent at once to serve his sentence.

This fate does not befall only journalists on the editorial boards. BUJKU's temporary correspondents are subjected to the same treatment.

Three Albanian journalists are at present in prison: Jonuz Fetahu, director of magazines; Xhemail Rexhepi, editor-in-chief and responsible editor of BUJKU, and Rizah Reshani, BUJKU's temporary Ferizaj [Urosevac] correspondent, who was apparently sent in place of Gani Bajrami, who has still not cooled off after his last spell in jail.

Even though the militia do all these things in the name of "law enforcement," the Information Law, even that of Serbia, prescribes the use of the procurator in cases in which journalists are prosecuted. However, because of the militia's skill, there is no need for this in Kosovo.

The main intention of cowing journalists and scaring them away from the truth has not been achieved, in spite of all these persecutions and many others that would need time and space to record. On the basis of the report of the Council for the Defense of Human Rights, 35 journalists have been persecuted, often with physical violence, as in the case of Mehmet Gjata.

On the contrary, these persecutions have had the opposite effect. Jail, once a disaster for an individual and his family, has become an everyday conversational topic, and often a joking matter, and is seen as a cold or dose of flu that one waits to recover from. In such an atmosphere, in which journalists do not know who will be the next to go to prison, work continues, and people make efforts to advance themselves professionally, even under the circumstances imposed by Serbia, when many Albanian media have been closed.

Therefore, prison in Kosovo is not the end of the world. It is a move from a collective prison to an individual one. Whereas, in the former, your responsibility for failing to do your duty as a journalist is immense, in the latter, behind bars, everything is individual and in a way easier.

Meanwhile, time passes and the days slip by, even those in prison. Xhemail Rexhepi will be released in three weeks, Jonuz Fetahu in four weeks, and Rizah Reshani in seven weeks. Before our colleagues complete their sentences, the list of prisoners may grow longer, but none of us know who is next.

All that journalists can do now is to work with even greater dedication than before, spreading the truth wherever they may be, and waiting for better days for journalism.

Bosnia-Hercegovina

Izetbegovic Details Position at Hague Talks

LD0611003791 Belgrade TANJUG Domestic Service in Serbo-Croatian 2159 GMT 5 Nov 91

[Text] Sarajevo, 5 Nov (TANJUG)—The Hague conference was reduced only to a discussion on paragraph one, to which the Serbian and Montenegrin delegations had submitted an amendment on the joint state. The other four delegations were against. Alija Izetbegovic, president of the Presidency of Bosnia and Hercegovina, said tonight on his return from The Hague that he put forward the idea that it should be altered and formulated as a separate point; that is, that in point one we should stop at minimum demands.

When explaining to the participants in the conference the current situation in Bosnia and Hercegovina, Izetbegovic stressed that the situation is starting to be alarming as a result of the decisions made by the Serbian Democratic Party, starting with the formation of regions, then assemblies, and finally paramilitary formations, a situation full of tension and concern has been created among the citizens in Bosnia and Hercegovina.

In view of the fact that the Serbian Democratic Party is planning to hold an illegal plebiscite, the results of which could well be rigged, Izetbegovic proposed that the EC send a goodwill mission to Bosnia and Hercegovina to check and listen to everything. Apart from that, Izetbegovic said, there is still peace in the republic, but it has been paid for dearly, by violation of the legal system.

Bosnia Serbian Democratic Party on War Alternative

LD0511185591 Belgrade TANJUG in English 1724 GMT 5 Nov 91

[Text] Sarajevo, November 5 (TANJUG)—Leaders of the Serbian Democratic Party (SDS) of Bosnia-Hercegovina assessed today that the plebiscite of the

Serbian people, scheduled for November 9-10 this year, was an alternative to war in this Yugoslav republic.

At a news conference held on the occasion, it was underscored that the Serbs have given up their plans of "a greater Serbia" but that they would "not permit the creation of a greater Croatia or an Islamic state."

Serbian representatives in the parliament founded the Assembly of the Serbian People last month, after the Moslem and Croatian parties' delegates carried a declaration on the sovereignty and independence of Bosnia-Hercegovina against the Constitution and their will.

The Moslem and Croatian parties urge the recognition of the republics as sovereign states and the transformation of Federal Yugoslavia into a loose association of these states. The SDS is against this, because, in that case, 2.5 million Serbs would be left living outside the borders of a common state.

In the name of the Serbian People's Assembly, which organizes the plebiscite, Petko Cancar announced that, besides Serbs, all other citizens could vote in secret "if they want to remain in Yugoslavia with the others who declare themselves in favor of a common state."

Serbs from Bosnia-Hercegovina, who live throughout Yugoslavia and abroad, will also be able to cast their ballots. Foreign observers have been invited to the plebiscite.

The Party of Democratic Action (SDA), rallying Moslems, today assessed that the scheduled plebiscite was anti-constitutional. It accused the SDS of "wanting to acquire false indicators" and put Bosnia-Hercegovina in an inferior position "in the interest of greater Serbian utopian and chauvinist plans."

The opposition Socialist Democratic Party (SDP) also spoke against the plebiscite, assessing that it was objectively "leading to the disintegration of Bosnia-Hercegovina, the shattering of its sovereignty and political identity."

However, ten opposition parties, including the Democratic Party of Federalists, the Bosnia-Hercegovina Social-Democratic Alliance, the Socialist and Liberal Parties, the Party of Democratic Reforms and some other minor parties, today supported the plebiscite of the Serbian people.

In the joint proclamation, they called on the citizens of Bosnia- Hercegovina to oppose all those who wanted to disintegrate Yugoslavia and to cast their votes for a common state of citizens, peoples and republics.

Government Criticizes New Serbian North Region

AU0511203591 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 5 Nov 91

[Text] At its session today, the government of Bosnia-Hercegovina discussed a report on the formation of the new so-called Serbian autonomous region in northern Bosnia. In this connection, the government concluded that all these decisions are unconstitutional and illegal. They are therefore null and void and without any legal validity.

In connection with the aforementioned decisions, the government will act in line with the law, as it has done in the past.

Since the decision on scheduling a plebiscite among the Serbian people was not made by the Assembly of Bosnia-Hercegovina and this does not concern a republican referendum, the decision on scheduling it does not bind the state, republican, or communal organs to directly work on carrying out the plebiscite.

In line with this, as the government of Bosnia-Hercegovina concluded at today's session, communal organs cannot provide finance, bear the costs, and engage workers of these organs to carry out the plebiscite.

Albanians Criticize Actions of Uzice Corps

LD0511215891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1630 GMT 5 Nov 91

[Text] Mostar, 5 Nov (TANJUG)—The executive committee of the Albanian Democratic Alliance in Bosnia-Hercegovina's section for Hercegovina has protested against "the increasingly frequent excesses perpetrated by the reservists in the Uzice Corps to which Mostar citizens of Albanian nationality are also subjected," notes a statement issued by this group.

An event on 3 November is recalled, about which the statement says: "It was due only to rapid police intervention that a serious incident was prevented." In this connection, the executive committee of the Albanian Democratic Alliance for Bosnia-Hercegovina draws attention to the fact that despite their promises and guarantees, the military authorities have not yet been able to ensure a normal behavior of the reservists in the town.

Montenegro

Bulatovic Describes Efforts at Hague Peace Talks

LD0611001391 Belgrade TANJUG Domestic Service in Serbo-Croatian 2226 GMT 5 Nov 91

[Text] Titograd, 5 Nov (TANJUG)—Today's conference in The Hague was characterized by attempts to make all the efforts for a diplomatic and political solution to the Yugoslav crisis meaningful by securing genuine observance of a cease-fire, Montenegrin Presidency President Momir Bulatovic said this evening at Titograd airport on his return from The Hague.

Bulatovic said that the conference very quickly concluded its work and that there was discussion of the amendments submitted by Slobodan Milosevic and himself

It should be recalled, Bulatovic added, that one of the equal possibilities for resolving the Yugoslav crisis already adopted was the Montenegrin amendment, which in point Three of the global solutions envisages in the first paragraph that it is possible for individual republics to decide on the basis of the freely expressed will of their citizens whether to continue to exist in a common state.

What is particularly important is that this amendment was smoothly included in the text of the basic solution, since it was clearly understood in terms of the solutions which already exist in Point Two of the text. The doubts and dilemmas which are particularly present in our environment were thereby removed, Bulatovic stressed.

Our efforts today were aimed at carrying out further restructuring. This did not meet with understanding, but this does not discourage us and we consider that the possibility of a common state of Yugoslavia, which in no way places the issue of the succession and continuity of statehood of the other republics, should be treated as completely equal and open.

In future diplomatic activities, the Montenegrin Presidency President said, we will endeavor to achieve this possibility as equal in relation to all others. Bulatovic stressed that he is not surprised that the arguments put forward today did not meet with the appropriate response, because the discussion was hampered by historical and combative, warlike, and emotional nationalistic tones. I consider that reason will nevertheless prevail and that conditions will be created for the continuation of the conference, and that the whole of Yugoslavia and all its republics will avoid the consequences that are certainly looming ahead of us, Bulatovic concluded.

Macedonia

Gligorov Predicts European Economic Sanctions

LD0611000791 Belgrade TANJUG Domestic Service in Serbo-Croatian 2120 GMT 5 Nov 91

[Text] Skopje, 5 Nov (TANJUG)—At Skopje airport tonight, on his return from The Hague, Kiro Gligorov, president of the Republic of Macedonia, told the journalists that he believed that unless the war in Yugoslavia is stopped by 8 November as agreed, Europe will undertake economic sanctions against our country.

The sanctions will be applied either against all the republics in Yugoslavia equally or selectively, that is, in terms of "the merit" of the respective republics for compliance with or noncompliance with The Hague agreements. Gligorov believes that all present republics should share in inheriting the rights and commitments of what was Yugoslavia.

Macedonian Foreign Minister Denko Maleski said that Europe was virtually hysterical [izbezumljen], that its patience is at an end, and that the Europeans cannot grasp how anyone can sign 10 times a cease-fire agreement and then break it as many times. The problem, Maleski believes, is that some republics come to The Hague "on spec," wishing to establish peace in Yugoslavia and yet encouraging military actions in the country. These double yardsticks are unacceptable, Maleski believes.

Macedonia does not have this problem and is getting European support for its constructive attitude and its efforts to have peace in our area preserved, said Maleski.

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